

Your Home Business

Outfoxing The Competition





Building a successful business in the comfort and safety of your own home doesn't require any great magic formula or any particular special skills. It does require a desire to succeed and a sense of stick-to-it-tivity not found in a job where you work for someone else.

You are the boss. The decisions you will make as you build and organize your home business are yours alone, and how you arrange and divide your time and energy will determine whether or not your business will grow and succeed or if it will fail.

The first step is to have an idea. The second step is to develop your idea into a viable business that will provide you and your family with an income for life when other people are losing their jobs as businesses downsize.

This book will provide you with some really good ideas.

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OUTFOXING THE COMPETITION
BOOK FOUR**

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How To Set Up A Simple Low-Cost Record Keeping System

Every mail order business requires an accurate record-keeping system. This is necessary to keep tabs on orders, record shipments, prevent duplication, etc. It is also important for tax purposes.

After many years in this business, we think this is the ideal combination filing AND bookkeeping system. This method is inexpensive, easy to use and extremely reliable and efficient.

The secret lies in the use of standard 3" x 5" "Index" cards, available in white and a variety of colors, ruled or plain. These may be purchased from most variety, stationery, department stores, etc. The cards are packaged in units of 100 each and priced within everyone's budget. Greater savings can be had by buying from wholesale paper companies or retail/wholesale firms specializing in office & stationery supplies. (look in your Yellow Pages under "Paper Dealers" and "Paper Dealers-Wholesale & Mfrs."). In some cases, when purchasing from wholesalers, only case lots or 10 packs (1000 cards) is possible. However, the extra savings can be substantial. The corrugated carton in which the cards are packed makes an ideal space-saving "file-drawer" when the cover is carefully removed. 1,000 cards occupy less space than a 1-lb loaf of bread!

Select a different color card for each year, such as white for 1979, blue for 1980, etc. The use of various colors facilitates easier up-dating and "cleaning out" inactive accounts., than searching cards for dates actual orders are recorded on the same card. The name of the customer (last name first) is recorded in the upper left hand corner.. Complete address follows. These are filed in alphabetical order. To save space, notes on the cards may be abbreviated. But it is extremely important that these notes are understood by all who will be working with the file... Complicated "codes" could cause frustrating problems.

Upon opening every piece of incoming mail, the file must first be checked to see if a card for that customer already exists. If not, a card is promptly completed.

All pertinent information is recorded on the card, in addition to the customer's name and address: date received, origin of order (from which ad in

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which publication, or circular), item ordered, type of payment (check, money order, cash), or item customer inquired about. For inquiries, specify exactly what was sent in return, such as letter, circular, etc.

Most important is the recording of the date the order was shipped and what method: 1st class mail, 3rd class mail, parcel post, UPS, etc.. This is necessary in the event the order is not received in due course.

You may also record the home address and phone number of the customer, which may appear on the order form, check, letterhead, etc. Also, the check number. Also the name of the person who placed the order, if it is a company. And signer of the check, if legible.

Coupons from ads or circulars may be stapled to the back of the card. All future business transactions must be recorded on each customer's card. When one card is filled, staple a second to the front of the first.

For customers living within your state, where you must pay sales taxes on orders, a small red check mark or "X" in either upper corner helps separate these customers at year's end, when taxes must be completed.

MORE IMPORTANT INFORMATION worth reading to keep records in order: "How To 'Key' Advertising To Measure Results" is the best way to keep from wasting advertising dollars. Just \$1.00 from above Publisher or Fun Mates Press-FMS/15, Box 6466, San Francisco CA 94101.

How To Pick The Best Publications In Which To Advertise

Successful mail order dealers realize there are two distinct groups of publications in which to place advertising for maximum results.

The first group includes newspapers and magazines designed to fill the needs, wants and interests of the "general public". These "national" publications can be found on newsstands across the nation.

The second group is what are called "trade" publications. This consists of hundreds of mail order magazines, newspapers, adsheets, etc. Contrary to what some publishers of these "trades" claim, very few copies get into the hands of the general public. Over 90% of the readers are mail order dealers or those thinking of entering mail order.

While an advertisement placed in one of the general public newspapers or magazines may bring astronomical results, the identical ad may fall flat when inserted in a mail order trade publication... Likewise, an ad that has sensational pulling power in one of the trades, may get little or no response when it appears in national publications... As with any other profession, most mail order dealers are interested in what's happening in their own field, plus they also read national newspapers & magazines. However, the general public reads national publication, but about 99% have very little interest in the "internal" affairs of mail order.

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They couldn't care less. This is very important to remember when placing ANY ads.

Readers of mail order publications are interested in two basic needs. First, how they can build-up their business and increase their income. Second, ways of saving money. Unless what you have to offer falls into either of these two categories, ads placed in any mail order trade publications are simply a waste of money.

With so many hundreds and hundreds of mail order trade publications from which to choose, the logical question is, where will an ad get the best results? There is no 100% accurate answer? It is a matter of "testing".

When selecting a publication to place an ad for the first time, there are several things to be wary of.. First, check the names of the advertisers appearing in the issue you have available. If some of the better known names in mail order are represented, you can be assured it is a good newspaper or magazine to "try". Most of these veterans know what they are doing and make certain their ad dollars are wisely spent. So, follow the leaders!

Next, check the amount of "filler" copy that appears in the publication. If more space is devoted to articles than to advertisements, it is very possible that the publication is "floundering"! Remember, it is the ads and NOT the articles that support any publication. Lack of ads means the publication does not have advertisers... Lack of advertisers generally signifies that others have tried advertising in that publication and were disappointed at the results. They would then naturally stop advertising. However, if you enjoy the articles and find them informative, it is wiser to pay a small fee for a subscription and forget about advertising.

A second warning signal of where NOT to advertise is by the amount of space a publisher devotes to his or her own offers. Let's face it. Any publisher would rather fill their publication with ads of cash-paying customers. But if dealers are reluctant to buy ad space, and generally for good reason (poor response from previous ads), the publisher has no alternative but to fill up the pages with his or her offers. Other wise many of the pages would be blank.

For a long list of some of the more popular mail order publications, read "How To Receive Over 100 Mail Order Magazines FREE"!...just \$2 from above Publisher or Fun Mates- FMS/14,, Box 6466, San Francisco, CA 94101.

101 Ways To Increase Mail Order Profits

1. This publication is not meant to be a manual on How To Operate a Mail Order Business. Its purpose directly and simply, is to provide you with numerous tips, sources, and ideas, that will save you money, time and effort in conducting your mail order business. If read carefully, we are sure you will find it of much value in this regard.

2. A mail order business will succeed, if the price at which the item (goods

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or service) is offered seems to be lower, all things considered, than the customer can obtain it for elsewhere.

3. A mail order business will succeed if, the offer is unique or exclusive or appealing for any number of reasons that create or satisfy desire upon the part of the purchaser.

4. A mail order business will succeed if, the customer does not know where to obtain the goods or services and is attracted by the offer in the advertisement which fills a need or creates a desire.

5. Regarding paper size: The most common size is 8-1/2x11. The offer may either be sent in a no. 10 business size envelope (if you are mailing less than 3 or 4 sheets of paper) or 9x12 envelopes for heavier mailings. Odd shape envelopes may be attention getters, but they have to be custom made, and the time and cost are very high.

6. The quickest and best way to get a specific answer to any question pertaining to postal rules and regulations is to inquire at your local post office.

7. Use the YOU approach in your copy. Regard the customer as a friend. In a study on successful direct mail copy, it was found the most frequently used word was "you" and the second most successful word was "your".

8. Used colored paper for additional appeal of your offer. Your sales letter should generally be white, grey or ivory. Circulars, brochures and order forms will look nicely in a variety of colors such as: Ivory, gold, light pink, blue, green and canary. The ink color should generally be black. You may wish a second color, such as red or blue for additional effect, for headlines, book titles, etc. This can be done for a small additional charge.

9. Have printing done in moderate quantities. While printing is substantially less expensive in larger quantities, it is best to print in smaller quantities until you are quite sure you will be using the offer for some time. This may take a few months of trial and error.

10. Whenever you spend money for printing, get a least 2-3 quotes. Your best bet will most likely be a small or medium size printing company. If you live in a large metropolitan area, consider getting your printing done out of town. You will see many ads of mail order printers in the mail order publications.

11. Try a direct mail newsletter; most people read them. Newsletters keep customers up-to-date and interested. You can speak in a sales pitch, but be subtle.

12. Test mailings. 1,000 is a fair test.

13. Your business will grow quickly if you serve your customers at every opportunity. Keep good records on your customers. If you are starting out and do not have a computer, use small index cards.

14. Do not discard the envelopes of your inquirers but sell them. The going

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price is between 5 and 10 cents per envelope. Mailing list companies will acquire envelopes in most any quantity. They will generally stipulate that envelopes are less than 90 days old.

15. If you publish a newsletter or adsheet, contact other publishers. If your circulation is equal to theirs, many will be glad to exchange an equal amount of ad space with you.

16. For your various mailing needs call or write the Office of Consumer Affairs, Postal Service, 474 L'Enfant Plaza West S.W., Washington DC 20260. They offer several informative and free publications.

17. About colors: According to research, men will prefer these colors in the order as shown: Blue, red, violet, green, orange, white and yellow. And women are thought to prefer the following colors in order of preference: red, violet, blue, green, orange, white and yellow.

18. It is interesting to note that three of the largest general mail order companies began at a time of need, grew as a result of aggressive merchandising policy, and by a process of adaptation to new conditions remain as leaders of their field.

19. An up-to-date typewriter (a computer and a word processing program is even better) is absolutely indispensable in the operation of a mail order company. Business letters that are handwritten will brand the sender as an amateur, and create a poor impression on prospective customers.

20. If you mail to business firms, it'll pay you to take the trouble to get the names of individuals in each firm. One mail seller found that letters addressed to business individuals pulled four times as many orders as letters addressed to the company themselves.

21. How do you address your mail? Tests indicate that individually typed envelopes or hand written envelopes (for certain types of customers) will out-pull labels every time.

22. Write to: Dinner & Klein, 600 S. Spokane St., Seattle, Wash. 98134 and request their free catalog. It has handy instructions in how to prepare a catalog, as well as prices and information on their various services.

23. Tack circulars of your best circulars on public bulletin boards that are provided in your community, such as grocery stores, coin operated laundries, etc.

24. Ever try filling in the person's name on your form letters? A test pulled 18 orders with the person's name typed in, and only 14 orders without the fill-in.

25. The primary aim of all advertising is to create in the reader a desire to own what you are selling. To be successful your advertising must be compiled to contain these four essential elements. It must attract attention, stimulate interest, arouse desire, call for action.

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26. Two-page letters pull best when printed on two sides of a single sheet.
27. Try dividing your mailing list into one-time buyers and repeat buyers. Mail follow-ups to the repeaters about every 4-6 weeks, but mail to the one-timers only about every 3 to 4 months. You'll get the most for the least out of your list that way.
28. Want to offer a premium? Many mail sellers do. A sample is your best bet, if you can do it. In a test, a sample pulled 153, while a booklet pulled 100, a related novelty pulled 86, and a special service offer pulled 24.
29. "Publications Relating To Small Businesses" list dozens of low cost publications of interest to small mail order business. Write for a free copy to - U.S. Government Printing Office, Washington, DC 20202.
30. To get an idea of the scope of mail order selling, look carefully through the advertising section of any craft magazine, also general and trade publications, farm magazines, mail editions of the large metropolitan journals and dailies, country weeklies, and notice the wide range of offers.
31. Articles widely sold over store counters are not generally suitable for the small mail order dealer to handle.
32. Need wholesale book suppliers for your offers? Here are two excellent sources: Wholesale Book Sources and Book Dealers Dropship Directory, #445 - \$12.
33. When mailing First Class postage, you will know the results of a test within two or three weeks. The same test by bulk mail will take about 8 weeks or longer.
34. Free information on becoming a distributor of thousands of items; novelties, gifts, etc. Mail Order Associates, Inc., 230 Chestnut St., Montvale, NJ 07645.
35. It is good business judgement to proceed slowly and test an offer on a small scale before striking out with any considerable amount of capital.
36. Using poorly printed and cheap looking sales literature is one of the serious and often fatal errors into which mail order beginners frequently fail. Prospects, often accustomed to buying through the mail, can spot the work of an amateur who is not careful to employ sales tools up to standard quality.
37. Free 40 page printing catalog and price list from: Lelli Printing, 2650 CR 175, Loudonville, OH 44842.
38. Always remember to incorporate that magic word "Money Back Guarantee" into your sales literature. It gives the purchaser confidence that he can get his money back if he is dissatisfied with his purchase, and consequently makes the order much easier to obtain. Statistically there are very few returns in mail order buying.
39. One way to make money is to keep yourself from unnecessary spend-

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ing. This is because every dollar you keep is tax-free, that is, you have already earned it and paid the tax on it. So a dollar saved may be \$1.35 earned.

40. What is the most magic word in all advertising? FREE!

41. The HEADLINE is responsible for 50% of the returns obtained from any advertisement.

42. The advertiser's reply to an inquiry should always address itself specifically to the needs and wants of the prospective buyer. Forget about talking about you and your company. It's called selfish marketing and of no interest to the reader.

43. Novice mail order advertisers typically make the error of spending more to get people to express interest than they do to satisfy the interest.

44. "Starting and Managing a Small Business of Your Own". This informative publication is available FREE from - Small Business Administration, 1551 L St., N.W., Washington, DC 20516.

45. Books are the ideal mail order product. Here's a few of the reasons. Books carry a high mark-up. Books mail at a special postage rate. There's no spoilage with books.

46. Interested in becoming a distributor for a wide selection of over 400 books on business, careers, self-improvement, how-to and general interest? Discounts of up to 75% Write for free Distributorship information to: Mascor Publishing, P.O. Box 8308, Silver Spring, MD 20907.

47. Ordinarily it is not the product offered that makes a successful mail order operator, but the selling plan coupled with the energy and determination behind it.

48. Small business loans. Aid for independently owned small businesses which are unable to obtain financing in the private credit marketplace. Contact - Director, Office of Financing, Small Business Administration, 1441 L St., N.W., Washington, DC 20416.

49. Are you using professional art-work in your display advertising? If you aren't, maybe that's why you're not getting the returns you wished for. Art-work is important as this test shows. Advertising with art-work pulled 12%, the same advertising without art-work pulled only 4.5%.

50. If you have an offer that sells well to college students or military personnel call American Passage - 800-727-7243. Request free Directory of College Newspapers and Directory of Military Base Papers. You can advertise in very large University publications for very little money when compared to national publications.

51. A reply card with a shaded background out-pulls the same card without the background by at least 5%.

52. Letters run off on a printer and sent First Class can average one-third

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more returns than a printed or copied letter sent via bulk mail.

53. A mailorder project should be planned and established as a sound business, not a fad or passing fancy. Mail order work is not something to be undertaken by anyone just because he imagines he wants a business of his own.

54. A catalog is not recommended for the beginner; after he gets established and adds to his line, he is in a position to contemplate a small catalog.

55. Even the simplest of mail order enterprises are susceptible to chance. A necessary talent in the mail order business is the ability to observe what is happening and what is likely to affect demand.

56. Long letters or short letters?: A four-pager sent out by one firm pulled almost 5% while their old one-page job pulled only 3%. If your present one page letter isn't producing, it may pay to try a longer letter.

57. New mail order products bring fortunes to small operators. Free interesting information from - Mail Order Associates, Inc., 120 Chestnut Ridge Rd., Montvale, NJ 07645.

58. Besides the outlay of stationary, circulars, and advertising, you must have enough money to put in a product in order to give prompt service on orders. It is, however, generally recommended to utilize the drop shipping services of a supplier in the beginning stages of a new business.

59. It is a very good practice in going through trade papers and other literature, such as circulars, to watch carefully for articles and series offered and to file away these tips for possible future reference. Call this your "idea" or "swipe" file.

60. A manual costing less than a dollar in quantity to publish often sells for ten dollars or more. The buyer is just not purchasing so much paper and printing, but presumably years of a writer's skill and experience, the recording of which required tedious hours, days or weeks to make ready for study for people who want to learn.

61. "Women's Handbook, How SBA Can Help You Go into Business". This informative publication is available FREE from: Small Business Administration, 1551 L St. N.W., Washington, DC 204165.

62. One of the ways a mail order operator succeeds is by moving faster and more surely than his competitors. To do this requires information - quicker and better information than is available to rivals.

63. When you put up your own product, on a small scale to start, the cost of materials is not of paramount issue. If your product is worthy of making or putting together, it can be priced high enough to be within competition and yet be a very good value to the customer.

64. Offer a free premium or bonus if the customer orders by a specific date. Get the customer to act NOW!

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65. The masses of the people have never demanded equality of fortune, and indeed understand it to be impossible; but they have always insisted, upon equality of opportunity.

66. The Federal Trade Commission has a rule requiring mail order purchases be shipped within the time stated in the company's printed or broadcast offer. If no time is stated, shipment must be within 30 days after the company received the order. This is often referred to as "The 30 Day Rule".

67. For an update in current Mail Order Laws & Regulations, order this publication from your distributor.

68. When the telephone is combined with direct mail, it can result in an increase in your response by 2 to 6 times, or more. Inquiries generated by advertising and direct mail can be handled for quick response while interest is still alive.

69. If you are in a position to take orders by phone, you can significantly increase your business by accepting credit cards as a payment option. Your best bet to get a bank to grant you credit card merchant privileges will be with a small bank. If you are unable to find a bank you may want to consider a clearing house.

70. "Let's Do Business". This informative publication is available FREE from - Publications Service, Veterans Administration, 810 Vermont Avenue NW, Washington, DC 20420.

71. In preparing sales literature, if one has no writing gift, outside aid must be secured. Without it, all is lost.

72. Learn something about selling with catalogs. Write for free details and samples to - Specialty Merchandise Corp., 6061 DeSoto, Woodland Hills, CA 91365.

73. "International Mail Imports". This informative publication is available free from - Public Information Division, Customer Service, 1301 Constitution Ave. NW, Washington, DC 20229.

74. Save up to 70% and more on all your office supply needs. Multi-page catalog listing several thousand items, literally everything you need in mail order. Free on request from - Quill Corp., 100 Schedlter Rd., Lincolnshire, IL 60069-3621.

75. Keeping your mailings up-to-date will save money in postage and printing and make your mailing more effective.

76. A new mail order business can be operated without the assist of a computer, but as the business grows, a computer will save time and make your business more profitable. This is especially true when it comes to managing your mailing list.

77. Many spare time operators make money year after year with a "how-to" item, exclusively prepared. The classified columns and display advertising sec-

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tions of the craft magazines are replete with such offerings.

78. Although inquiry advertising is expensive, it provides more reliable lists than most other methods. Since every prospect secured through enquiry advertising has already revealed an interest in the product, aggressive efforts for sales have an excellent chance of success.

79. Buyers lists, to be of any value, must be kept up to date. When any person appears to be of little or no value as a prospect, his name should be purged from the list. Most mail order companies will drop the name of a customer if no purchases have taken place in the preceding 12 months.

80. Before printing, prepare an accurate dummy of your mailing for weighing purposes. Include all pieces. Be sure the weight comes within the one-ounce postal limit. The smallest fraction of an ounce overweight increases your postage costs.

81. Don't be frightened by early mistakes and losses, expect them. What you learn from them might be the very essence of your later success.

82. "The more you tell, the more you sell" is an old advertising maxim which is worth remembering. Go easy on gimmicks, give the reader solid information.

83. Location of a mail order business is of little importance. Many have been started in spare time from a person's own home. Nor is age or gender of any significance. Also, elaborate facilities are unnecessary as would be in the operation of a store.

84. Location as pertaining to the part of the country, large or small city, street address, etc. is also of no importance. There are many highly successful mailorder companies operating from small towns that have no name recognition from most of the population.

85. Even a commonplace product can be sold to advantage when promoted with a sound merchandising plan, especially when given a new twist.

86. Use a teaser on the envelope to get the prospect interested right away. Try something like "Save 50% on...", or "Special Free Offer Inside", etc.

87. Make it easy for a prospect to order, include an order blank in all your mailings. Remind the prospect to "order now". It's the call to action.

88. Have you tried advertising in card deck mailings to test response over conventional promotional methods. Many dealers are finding these quite profitable.

89. Study, study, study. There is a lot to be learned in up-to-date books on mail order, and in trade periodicals and trade association bulletins. Modern business is complicated. There's always a lot to know, and surprisingly enough you can find it out if you just try.

90. Be enthusiastic. Your enthusiasm is a big part of getting a customer ex-

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cited about a purchase - the positive energy you generate will rub off on customers.

91. Review your list maintenance procedures to be sure that address changes and other corrections are made expeditiously and duplicates are removed. Excess and undeliverable mail at the new rates could be a major expense.

92. Newsletters have proven themselves to be effective promotional vehicles. Because they tend to stand out from ordinary direct mail pieces ("junk mail" to the layman).

93. Most of the experts agree, a two-time buyer is at least twice as likely to buy again as a one time buyer. So mail to these more often.

94. By using lightweight paper you might squeeze four instead of three pages into an envelope for the same postage. When circumstances permit, print on both sides of a sheet.

95. Don't over control your operations. Keep control systems straight forward, allowing room for experimentation, risk taking and managerial discretion.

96. The only things in which the prospect is interested in is what your product is going to do for him and what are you going to do for him. What's the price, and why should he order now.

97. Desktop publishing, converting typewritten copy to a highly professional look may be worth considering.

98. The more your sales-letter looks like an actual letter, the better it will work. Don't be "done in" by advertisement writers who do not understand this principle.

99. Your sincerity about this product establishes a prospect's trust in both the product and the purchasing experience itself -if you believe in the product, the prospect is much more likely to buy it.

100. Take advantage of special postal discount rates such as "Special Fourth Class" rate for books, film, recordings, etc. Make a careful comparisons of parcel post and UPS rates for heavy packages. UPS will be most cost effective in distances of 1,000 or less miles, and they will generally be more reliable.

101. When people feel they have been treated well and helped to make a good buying decision, it's a cinch that they'll recommend your service or product to their friends.

How To Design Winning Ads With Your Own "CR" Copy

"Camera ready" or "CR" copy means exactly that materials all ready for the camera and to be printed "as is". NO CHANGES! When you submit materials to a printer for reproduction, he does not have permission to make any changes. Therefore, if your "original;" has any errors, smudges, fingermarks, etc., these

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too will be reproduced on every copy printed. Since your ad, circular, copy or whatever will be reproduced exactly as the original, you must be extra careful that every detail is as perfect as possible. Even creases or folds may appear on the finished product. And if hundreds of copies are printed at one time or even thousands- flaws, or throw the entire print job in the trash! Light blue margins will NOT photograph.

Keep this in mind when preparing copy for your printer's camera. Almost all other colors will photograph as black. Therefore, it is best to work with black on white paper only.. This will give you a good idea of what the finished job will look like.. If you use colored bits and pieces in your pasteup, the overall appearance may not be the same as what you had in mind for the final job. All materials to be photographed must be as sharp and clear as possible.. If you "lift" someone else's smudged illustration or headline, remember that your final print job will also have a smudged illustration or headline... Also, be very, VERY careful about clipping and using materials from someone else's ads or circulars. This could get you involved in a lawsuit for "copyright infringement", which is a federal offense.

If you want to add your own drawings, lettering, etc., it must be done in black (or dark red, which will photograph as black). Never use blue carbon ribbon for best results. Your stationery store should have these in stock. Also, be sure to clean the typewriter keys before typing your copy (message). Or have the type set by a commercial typographer. Never make erasers when typing copy.. If you make a mistake, start over.

If you desire to use a photograph in your ad, it must be "screened" first. This is when the photo is broken down into tiny dots. If this is not done, darker shades of grey will become black and lighter shades may disappear entirely. Your printer will be happy to give you free advice.

Attach all materials you wish to include in your add with rubber cement. This type of adhesive dries slowly and allows time to slightly reposition any elements if necessary. Never use transparent tape. It may photograph. if you are preparing an ad for a publication, be sure the size is exactly that required by the newspaper or magazine. When pasting up a circular, allow 1/4" to 3/8" white margin on all four sides. Before presenting your original to the printer, be certain that all excess rubber cement is removed..

This can be done by rubbing it off with your finger. Any excess may photograph as black smudges. Other unwanted marks can be covered with "Liquid Perfect", from your stationery store. Never fold the finished camera ready art. Folds and creases may photograph as black lines. When mailing large originals, use stiff cardboard as a backing to prevent unnecessary damage. Mark on the outside of the envelope "PHOTOGRAPH. Please do not bend or fold" and send via FIRST CLASS MAIL - always! Add HARD-SELL "CLOUT" to your ads and circulars.

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Send for 50 Ad-Art Samples that you may use as you wish. They're FREE!...for a long self-addressed envelope and two 1st class stamps. Order from Fun Mates Press Adv. Dept FMS/12, Box 6466, San Francisco, CA 94101

4 Ways To Make The Biggest Earnings As The "Prime Source"

New ideas pay the biggest dividends in ANY business - INCLUDING mail order. if you can think of something that is new, different and has "mass appeal", you will probably make more money than anyone else. When you make such new ideas available, you become the "prime source". There are four ways to pocket the biggest profits this way - with very little effort!

1. WRITE SOMETHING THAT EVERYONE WANTS TO BUY & READ!

Good, honest information is one of the mail order's top sellers! There are thousands of "HOW TO" books, reports, folios, etc. on sale, but there's always room for more fresh ideas. Especially if you can come up with some new way to increase income, save money, or save time. Let us say you write a 1-page report, which you can sell for at least \$1.00. To have 100 copies offset printed will cost you \$3 to \$4. The retail value of 100 copies is \$100! Deduct your printing cost and your profit is between \$96 and \$97! If you write several dozen such 1-page reports, and they all sell well, can you see the tremendous potentials? You will have to spend some money for advertising. But you can cut this down by offering the reports to other dealers on a dropship basis, let's say on a 50% commission. Then they do all the work and you collect 50 cents on every sale. Since it cost you only 3 cents to 4 cents to have each report printed, your profit is still 46 cents to 47 cents on every sale!

2. BUY THE "REPRINT"-REPRODUCTION) RIGHTS!

here you become the owner by paying for the right to reproduce someone else's materials...or you can do this too! Let us say you offer the reprint rights to other dealers for 42 or \$3 for your 1-page report. Then your profits are still greater, and the dealer has the right to reprint your report, with his own name as the "publisher". It is always wisest to "copyright" everything you write. Then, if anyone steals your idea, you can sue for "copyright infringement" and force the thief to pay almost any amount you decide, or take him to court.

3. BECOME THE DROPSHIPPER FOR A HOT SELLING ITEM!

Many suppliers need reliable dealers that will sell their merchandise on a commission basis... Commissions can range from 50% up.. You then do the advertising by distributing circulars, which are generally provided free, and have as many copies printed as you wish with your name inserted as the as supplier. When cash-in-advance orders arrive, you keep your commission and send the balance on to the prime source. He will dropship direct to your customers. Many such dealers also offer "wholesale discounts". this is when you buy in quantity lots & fill

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order yourself for bigger profits.

4. BECOME A DEALER FOR THE "PRIME SOURCE"!

Offer the prime source's products to other dealers for a smaller commission. In other words, give some of your commission to others. In this way, your dealers and the prime source do all the work and you are only the "middle man".. And all you have to do is collect your commission and forward the orders on. You pocket extra \$\$\$ for every little effort!

IMPORTANT! Read "What Sells BEST In Mail Order"! Lists mail order's top 40 sales pullers...and tells why! Rush \$2 to above Publisher or Fun Mates Press - FMS11, Box 6466, San Francisco, CA 94101

How To Rake In Profits As A "Circular Mailer"

The simplest way to start making money in mail order is to become a "mailer" of commission circulars. It's easy - no previous experience is needed. You can earn good profits by working just a few hours a day. Very little investment is required. About all you have to buy are stamps, envelopes, a rubber stamp with your name and address, and a stamp pad. There's no inventory - you don't have to stock a single item. And the circulars you will be mailing are generally free of charge, or for postage, or a small \$1 or \$2 fee. You will also need names of people to mail the circulars to, It is not a good idea to copy them from a phone book. You can buy names from firms that specialize in selling mailing lists. But you can also get free mailing lists!

THIS IS HOW THE PROGRAM WORKS:

Most suppliers will provide you with all the free circulars you care to mail, for a very good reason. True, the more you mail, the more you can earn. But also, the more circulars you mail, the more dealers can earn! The circulars supplied are generally printed on both sides. One side is for you; the other side for the dealer.. On your side, there is a blank space where you can write or rubber stamp your name and address. This is the side that pays you a commission - usually 50% or 75% of the sale. But some will pay you as much as 100% You keep the full amount you receive. The other side of the circular is the dealer's side. Any sale resulting from this side goes directly to the dealer or "prime source".

DROP-SHIPPING AND HOW IT WORKS

Earlier we mentioned that when you become a circular mailer, you do not have to invest in any type of inventory by stocking merchandise. This is where "drop-shipping" enters the picture. When a customer send you an order, the supplier fills it. All you do is deduct your commission and send the balance to the dealer.. in other words, for a \$100 sale that pays a 75% commission, you keep \$7.50 and send the remaining \$2.50 to the dealer. On sales that pay 100% commission, you keep the entire sale. (sometimes the dealer requests you send a few

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postage stamps for shipping the ordered item to your customer), In many cases, the supplier also asks that you provide him with a shipping label (available from variety and stationery stores) or stamped envelope.. You write or rubber stamp your name and address as the sender, dealer. In cases where you send a label, write on the back of it the name of the item ordered. For envelopes, write this information inside the envelope flap.. This prevents mixups. The reason for your providing the pre-addressed label or envelope is to make it appear that the merchandise is being sent directly by you. The amount of money you can earn as a circular mailer depends upon you.. The more time you devote to mailing commission circulars, the better your opportunities for earning a greater income

NEED COMMISSION CIRCULARS & MAILING LISTS? Over 100 suppliers will send you FREE commission circulars paying you 50%, 75%, even 100%! Over 100 dealers will send you FREE mailing lists...over 4,000 new, fresh names! Your choice of either "over 100 Sources of FREE Commission Circulars" OR "Over 100 sources of FREE Mailing Lists" just \$3 each! ORDER BOTH for only \$5! Order from above Publisher or Fun Mates Press - FMS/10, Box 6466, San Francisco, CA 94101.

15 Suggestions For Reducing Printing Costs

1. Use mail order printers. Ordering printing by mail generally costs less because these printers have less overhead. Answer ads in mail order publications and compare prices. Always request samples. 2. Order larger quantities. Before an offset printer runs your job, he must photograph the camera-ready copy & make a printing plate. This is necessary whether you order 1, 100 or 10,000 copies and is included in the "base" price. If you have an effective sales piece, you can save considerably by ordering more units, less often, 3. Avoid 2 and 3-color print jobs. If your materials do a good selling job printed with black and white ink on colored paper. Pocket the savings! 4. Use black ink only. Printers are geared to print with black ink. When you order a job printed in any other color, you will generally be charged extra for cleaning the press before and after your print job. 5.. Avoid rip-off prime sources that requires you to buy their sales materials directly from them. Generally, their products are poor sellers, but they make money off printed circulars, envelopes, etc., you are forced to buy from them - at a highly inflated prices. Don't be gypped! Honest dealers will let you order printing from whomever you please. 6. Print both sides of the sheet. Since the cost of paper your jobs requires is also included in the base price, by printing both sides of the page, you can save. (this can also reduce your postage costs!) 7. Submit PERFECT camera-ready copy.. If you require the printer to make changes on the original, he will charge extra. (read "How To Design Winning Ads With Your Own "CR" Copy" - just \$1 from above Publisher). 8. Avoid large "reverses" (black solids). It is difficult for any printer to get good ink coverage if there are large

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reverses (black with white lettering), and many charge as much as 25% extra. A well designed sales piece does not have to rely on reverses to get attention. 9. Use standard paper sizes. Ordering printing on unusual sizes or types of paper requires press adjustments. This increases printing costs. 10. Order a "photo reduction". Standard typewritten copy can be reduced 25% to 33 1/3% and be legible. If your sales message runs to sat 1 1/4 t 1 1/3 pages, you can have it reduced to fit a regular 8 1/2" x 11" sheet and save printing. Most printers will do this for a small fee. 11. Avoid duplication. If you keep accurate records, you can reduce printing bills simply by not sending the same materials over and over again to the same customers. (read "How To Set Up A Simple, Low-Cost Record/Bookkeeping System" - only \$1.00 from above Publisher). 12. "Cut" copy. If your message is handwritten or typed, and fills more than one 8 1/2" x 11" page, try rewriting the copy and eliminating unnecessary words. It will then cost you less, to have it printed. 13. Sum up offers. If you have many items to sell, instead of sending a separate circular advertising each offer (which also increases postage costs), you can mention them all on one or two pages. Just list the items and give a brief description. At the bottom of the page, say something like "For additional information, check the items that interest you most and return this entire sheet with a long SASE." 14. Avoid printer's "convenience" services. A printer's basic job is printing! But may also perform other services such as collating, folding, stapling, etc.. You can save much for your printing bill if you do many of these easy little chores yourself. 15. "Make a deal!" Some smaller, local printers may give you a "discount" if you promise to use him exclusively for all of your printing needs.

10 Secrets For Making Money Selling "Big Mails"

An easy way to earn money in mail order is by selling "Big Mails". This consists of a packet of your own circulars, plus an assortment of mail order publications. To begin, you must place ads in these magazines and newspapers to become a "co-publisher", agreeing to mail a certain number of copies of each issue - which are generally free. Here are some of the ways you can earn by selling Big Mails:

Run ads saying: BIG MAIL - 50 cents! Hundreds of \$-making, \$-saving offers! (your name and address)

When orders arrive, stuff envelopes with as many mail order publications as possible. Also include your own circulars. Save postage by mailing 3rd class "Bulk Rate", Here' how you will cash in:

1. You earn from orders from your circulars included with the Big Mails.
2. You earn from orders from your ads in the mail publications.
3. You collect 50% commission from ad orders you receive.
4. You collect 50% commission from all subscriptions you receive.

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5. You collect 50% commission from all listings you sell.

6. By collecting the names of those ordering your Big Mails, you can sell them as "opportunity seekers",

7. Many publications will design and typeset your ads free. You save by using these small ads in publications that charge for this service.

9. By running ads like the one below, you pocket commissions from circulars other dealers provide you free of charge:

BIG MAIL - 50 cents! Commission circulars paying 50% mailed free! (your name and address)

9. By running ads like the one below, you get paid to mail circulars for other mail order dealers:

PROFESSIONAL CIRCULAR MAILING! We mail 500 per week to fresh, responsive names. per 100: 3 x6, 75 cents; 5 1/2 x 8 1/2, \$1.00; 8 1/2 x 11, \$1.50. Commission circulars paying 50% or more mailed FREE! (your name and address)

10. Run ads like those below. To fill orders for the ad at the right, you simply send the names offered in the ad at the left. When filling orders for both ads, be sure to include plenty of your own circulars.

RECEIVE 100'S OF BIG MAILS! Your FREE MAILING LIST! Fresh, hot prospects! Opportunity seekers eager for your best offers! Rush \$1.00 NOW. (your name and address)

Read "How To Receive Over \$235 Worth Of Big Mails FREE!" Tells how to get almost 25 pounds of big mails free for the asking, or just a few postage stamps! It's terrific offer! Send \$2 to above Publisher or Fun Mates Press - FMS/05, P.O. Box 6466, San Francisco, CA 94101.

How To Have Your Circulars Printed & Mailed Free

Experienced mail order dealers realize the importance of keeping operating expenses at a minimum. You should too. Here's the easy way to cut your printing and mailing costs.

FREE PRINTING Let us say you wish to have 500 8 1/2" x 11" circulars printed. First, you should check with local and/or mail order printers, for the lowest price for printing 500 8 1/2" x 11" circulars on BOTH SIDES. We will say the best price you receive is \$20.00

The next step is to advertise in mail order newspapers and magazines that you will "print & mail" 500 8 1/2 "x 11" circulars. ONE SIDE ONLY- for \$20.00. When your customer sends his check for \$20.00, it will pay for printing both sides. Your side us printed FREE! You can use this same idea for 100, 500, 1,000, 5,000, 10,000 or any quantity you wish. And if you slip one of these circulars into your regular outgoing mail every day, you won't have additional expenses for postage

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and envelopes!

FREE MAILING

The easiest way to have your circulars mailed free is to have other dealers do it for you! By using this method, you cut your expenses by saving the cost on postage, envelopes and mailing lists. You also eliminate the cost of labor for addressing envelopes, folding, stuffing, etc., etc.. The secret is to advertise that you have a program available that offers free circulars that pay commissions of 50%, 75% or whatever you wish. The greater the commission you offer, the more takers you will get. Then have your circulars printed with your name and address on one side, and leave the order form blank on the reverse side. This where the other dealers can rubber stamp their name and address. They will be happy to mail the circulars for you for their commission. Remember again, the greater the commission you offer, the more eager other dealers will be to get your circulars in the mail for you. If you get just 10 dealers to mail 100 circulars each, that's 1,000 potential sales! Your postage savings alone will be considerable. And keep in mind that in addition to your receiving the full amount of every sale on your side of the circulars, you will also be receiving the balance of the mailer's commission from the reverse side. If you don't wish to spend money on advertising this program, you can save here too! Many dealers that would be interested in mailing your commission circulars advertise regularly in the many mail order trade publications. Simply tell them about your program in a short letter and send them a sample of your circular. Most will take you up on your offer. If you would like a sample copies of some of the best mail order newspapers and magazine a around, send a couple of first class stamps to any or all of the following publishers and ask for a current copy!

MAIL ORDER BULLETIN, Artcraft Press, Box 55, Mankato, MN 56001
TIMELY TIPS, 521 N. Williams St., Paulding, OH 45879
POPULAR ADVERTISER, 993 Meadowlawn S.E., Salem< OR 97301
ODDS AND ENDS, Robert H Clampitt, PO Box 10797, Chicago, IL 60610
IDEAS UNLIMITED, Profit Tools, 3824 Elm Lane, Oshkosh, WI 54901
MAIL ORDER MESSENGER, MPM, PO Box 17131, Memphis, TN 38137

Other worthwhile information "14 Ways To Get Free Postage And Envelopes"
- now available for just \$1.00 from the above Publisher or Fun Mates Press - FMS/
04, P.O. Box 6466, San Francisco, CA 94101.

17 Methods For Getting Free Advertising

1. Place copies of your circular on bulletin boards throughout your community, such as in coin-operated laundries, grocery stores, barber shops, etc. Concentrate on Fridays and Saturdays when shopping increases.

2. Check with local newspapers. Before going to press, many smaller newspapers have space left that needs filling.. Your ad may be just the right size to

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occupy this unfilled space and they will run it free.

3. Place your circulars on windshields of parked autos. Youngsters will be happy to do this for you for a dollar or two. Check first with city ordinances to see if this is permitted in your locality.

4. Leave sales literature on doorsteps of homes & businesses in your area. Do this on weekends in residential areas; weekdays for businesses.

5. For free advertising listings, send a long self-addressed stamped envelope to Fun Mates Press -FM/03, Box 6466, San Francisco, CA 9401. Ask for a copy of their Free Advertising Survey form.

6. Have your best pulling 1_ or 2_ ad made into a rubber stamp. Stamp this on envelopes of all of your outgoing mail.. Check rubber stamp dealer_s ads in current mail order publications for price information.

7. When you have envelopes printed with your return address, have them also print your best ad directly beneath your address. It costs nothing additional to have this printed on the front of your envelopes.

8. If you publish a mail order magazine, newspaper, adsheet, etc., contact other publishers, If your circulation is equal to theirs, many will be happy to exchange an equal amount of ad space with you.

9. Many publishers will give you free adspace for mailing a few copies of their publication. Simply write to them and ask if they will give you a free 1_ ad in exchange for mailing 50 to 100 copies of their pub.

10. Write informative articles for mail order trade publication. Most publishers will give you free ad space for the use of your article.

11. Take advantage of advertising specials. Many publishers offer ads on a 3-for-the- price- of -2- basis, or 4-for-the-price-of-3, etc. This saving is the same as getting one ad free of charge.

12. Some publishers offer a free classified ad with your first display ad. Watch for such specials. Use the free ad and pocket the savings.

13. When starting a new publication, many publishers will offer reduced ad rates to help fill space. Watch for ads regarding such offers.

14. In your ads, request a SASE. Then insert some of your other offers in regular outgoing mail. This is the same as getting free advertising.

15.. become a mailer. get your printer_s lowest price for printing circulars on both sides of the sheet. Contact other dealers and state you will print and mail their circulars for this price with no conflicting ads on the back. Then print your circulars on the reverse and distribute them with your outgoing mail. There is no extra cost for postage and envelopes, and your side of the circular is paid for by your customers.

16. Offer a free commission circulars. Print one of your regular offers on

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one side; a commission offer on the reverse, leaving space where the mailer can rubber stamp his name & address, Your offer gets a free ride.

17. If you use a postage meter machine, use the ad space directly left of stamp imprint for a free message.

How To Start Your Own Mailing List Business

Selling mailing lists can prove to be a profitable sideline to any mail order business. Many dealers reply on "direct mail" to promote their goods or services.. They are always interested in good, fresh prospects. The most popular classifications of names are "Opportunity Seekers", "Cash Customers" and "Mail Order Dealers".. Mail order dealers are the easiest names to obtain. To get them,, all you have to do is copy the names & addresses of advertisers from current mail order trade publications. For a good selection of mail order magazines and newspapers, and answer ads for "Big Mails". "Opportunity Seekers" are those that are looking for ways to earn extra income. "Cash Customers" are simply those that have made purchases. Never copy somebody else's lists.

This could involve you in "copyright infringement", a federal offense.. Also, you could be duplicating old, stale lists. To be successful, your names & addresses must be fresh and accurate. This will keep your customers coming back again and again. To start, you need a typewriter or someone to type the names for you.... Look in your Yellow Pages under "Secretarial Services". Or, contact mail order dealers who sell names.. Many of them will do your typing at reasonable rates. Another suggestion is to contact the typing teacher of your local high school or business college.. Students love to earn spending money-and it's good practice for them, too. The best way to have the names typed is across the page....

Use white paper and a fresh black or red typewriter ribbon-never blue.. Each 8 1/2" x 11" page will easily hold 50 names. Each page should also be carefully coded in either upper corner as to the page number, classification and date typed. Use any code you wish, but one of the easiest is like this: "3CC10169". This means page 3, cash customers, typed October 16, 1979. The date is extremely important.. People change addresses rapidly in this country. Names more than 6 months old may be outdated. After this period of time, it is best to throw these names away. Or, you can make a "follow-up" mailing to each name on your lists. Send these letters first class with your return address plainly visible.

Those that are "nixies" (undeliverable for one reason or another), should be deleted. Instead of typing the complete corrected list over again, you can have replacement names typed on a separate piece of paper. Then carefully cut out and paste a replacement name over each name that is no longer usable. After the names are neatly typed,, take them to your printer. It will cost you about 3 cents to 4 cents to have each sheet printed, if you order 100 copies at a time. This means

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that every 100 copies of each page will cost you between \$3 and \$4, but can be worth \$100.00 to \$300.00 -depending upon what you decide to charge per 100 names. The best way to establish the “going price” is to check the ads of other mailing list dealers in mail order trade publications. Never charge the most, or the least. The middle of the road is always best. To promote your new mailing list service, run ads like this: FREE 50 fresh names of Opportunity Seekers!

Free for long self-addressed stamped envelope! (Your name & address)”. Ads like this will save you postage and envelope costs. When orders come in from your free list, also include a price list of other names you have for sale. Somewhere on your price list, say something like “GUARANTEED DELIVERABLE! We supply 10 free names for every one that is returned!” This will cinch the sale, keep your customers happy and coming back for more! And for every customer that answers your ads and/or buys names from you, you have another name to add to your mailing lists!

Become The Publisher Of The Mail Order Business Report Series!

Sell Individual Reports Or The Entire Series And Make A Profit Of Over 700% On Each Sale!

State Sales Tax Guide If you are starting out in Mail Order you need this incise report on State Sales Tax and how to deal with it Covers all States

Mail Order- Most Common Mistakes Avoid classic mistakes so often made by beginners. Every week we receive dozens of direct mail pieces that are so bad they make us shudder. There are rules to this game-and here are the fatal mistakes you must avoid

How To Create Circulars, Small Brochures and Sales Letters! Every day millions of pieces of Direct Mail get tossed. Yours doesn't have to be one of them. Here are some very basic rules that will get you orders NOW!

Mail Order Advertising Directory Lists the best publications in which to advertise your offers. Emphasis on publications which accept classified advertising. Includes rate information

Mail Order Bookkeeping Basics! Here is a quick and easy to understand introduction to mail order bookkeeping. Easy to understand for anyone— even if you have never done any bookkeeping. Includes all necessary forms and ledgers ready for you to duplicate. You will be ready to get going the day you receive this New Special Report

Mail Order Laws and regulations A detailed overview of current laws and regulations. Important for those starting out. Knowing these facts will keep you out of trouble.

How To Set Up An In-House Advertising Agency So you can start cutting 15% off your Advertising Dollars immediately! If you are spending \$200, \$300, or more

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per month in advertising you need to set up your own agency. It's extremely easy. This detailed report tells you how. Includes sample insertion order form ready for your agency imprint.

The Postal Savings Guide Important information on how to manage this major mail order expense to keep expenses at a minimum..and other important tips on how to deal effectively with your Post Office.

How To Acquire, Create and Market Self-Publishing Articles You can generate simply huge profit margins by marketing self-publishing material and selling reprint rights! This detailed Special Report will show you "How To Acquire, Create And Market Self-Publishing Articles." The field of self-publishing is wide open and the most lucrative in the mail order information business.

The Beginner's Mail Order Business Guide 113 pointers for the beginner. Covers everything from company name to product, pricing, advertising, mailing and everything else that is essential to know.

How To Write Classified Ads That Get Results NOW! Here are the Insider Secrets on how to write' them to get maximum response and how to convert them into Cash Orders!

Controlling Mail Order Key Expenses Besides the cost of the product you are selling the three major expenses categories in your mail order business are: Advertising, Postage and Printing.. Here are some powerful tips in how you can control and even decrease them.

Getting Started In Mail Order-How Much Does it Really Cost? An expert said you could get started for less than \$100.00. Don't believe it! Here is a realistic breakdown of expenses you could expect for a minium, moderate and aggressive start-up

Mailing Lists Can Be Profitable Renting and effectively using mailing lists can be effective and profitable..or renting wrong lists can be throwing money out the window.. This report will make it possible for you to generate maximum profits from your mailing lists.

STATE SALES TAX GUIDE An overview

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INTRODUCTION

The intent of this publication is to give the newcomer to the mail order field an overview of state sales and use tax laws as they affect a small mail order business. As of 1988, 45 states and the District of Columbia levy sales and use taxes. In researching this project, I was unable to find any publication that provided com-

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prehensive information on sales and use taxes in all states. The information we present is based on limited research of laws in the State of Maryland, and several other northeastern states. Yet fundamental rules as pertaining to sales and use taxes appear to be fairly similar throughout the country. No information in this overview is to be construed as presentation of legal or tax advice or advice on any laws in any state or municipality in the U.S. Such advice and information should always be obtained from qualified attorneys. CPAs or the appropriate state or city sales tax office.

Without question, the two tasks that I dislike most are reading and writing about insurance or taxes. I had, therefore, put this project off for quite some time. What eventually prompted me to write it anyhow was I saw a definite need, often based on a lack of understanding about sales and use tax matters by newcomers to the mail order field. I promise you this will be as short and painless as the subject allows.

FACTS ABOUT STATE SALES AND USE TAX LAWS

1. I list this fact first since it seems to represent the biggest misunderstanding: Sales tax is levied on intra-state sales only..

Sales taxes are not levied on interstate sales, except as shown below.. This simply means that the ABC Mail Order company located in Los Angeles, CA when selling an item to John Doe who lives in Denver, CO, does not charge him sales tax. The ABC Mail Order Co only needs to levy sales tax on a resident of the State of California. This rule is based on a Supreme Court decision of 1967 in which the Court decided that state sales cannot be levied on sales made to residents of another state. Congress did, however, amend this law earlier this year, and it now requires those mail order companies which have annual volumes in excess of \$2.5 million dollars to collect sales tax on interstate sales. It is expected that the 2.5 million dollar figure will be lowered in the next several years, but it is unlikely that small or medium mail order companies will be required to charge sales tax on interstate sales in the foreseeable future.

2. State sales taxes are levied on retail sales only. It is the person who uses the product who must pay the taxes, not the various layers of companies which are between the manufacturer and the user.

3. You, the company, charge the tax and hold it in trust for your state until your next sales tax filing.

4. I am often asked: "since I am just starting out and just a small company can I just forget about charging the tax?" I definitely do not recommend such a course. If you do you are violating an important law of your state and are subject to the consequences which can be severe. Remember one of the most important premises of tax collection policy in this country is for the Federated State and local governments to require strict adherence. If they let one company, no matter

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how small, get away with non-compliance, the "Tax Collecting Structure" is adversely affected.

5. Along with the above question here is another equally popular one: "Since I am quite small, can I just pay it for my customer and not show it on the order form? The information I have been able to come up with is that all states feel very strongly about this point.. IT IS DEFINITELY, MOST EMPHATICALLY A NO-NO. I was told that any company who follows this practice is subject to (A)paying all taxes again though they may have been paid before, and(B) the company will be subject to all appropriate fines, interest penalties and punishment under the law. As the operator of a small mail order business, you sometimes are subject to using the promotional material that your suppliers provide you with; many of the circulars do not have sales tax information and you have a small problem. But it is very small because (A) It is easy enough to fix a circular; a little typewriter whitener, your local (or out-of-town) printer, typesetter, desktop publisher it is always a good practice to include your own order form which contains the sales tax information for your state. You will get more orders that way since some of your customers want to keep the promotional material you send them intact until they receive the goods. So an order form which costs less then 3 cents a piece is a good marketing tool and it will keep you out of trouble with your state authorities.

6. It is very easy to obtain the proper information and then to comply with it. I know when starting a business these small matters can often appear to be overwhelming, but almost always they just appear that way.. So, just take one step at a time. No matter where you live in this country, if your state has a sales tax, there will be an office nearby that will be glad to give you information. Just ask the telephone operator for the listing of the local state sales tax office. You will receive information in a few days. Generally there will be no fees to pay and forms are easy to fill out... In a few days or a couple of weeks, you will be issued a sales tax license. Your state does not care if you operate your business out of your home, garage, and office or warehouse location. All the state wants is to collect taxes.

7. Most, but not all states have quarterly filings. The sales tax office will set you up on a schedule. If you live in one of the less populous states and are just starting out, your quarterly amount due will be very small and could be as little as \$1.. You still have to file and pay. If you operate in one of the large states such as California, New York, Texas, etc.. you may do quite a bit of business in your own state.

8. Certain products and most services are exempt from state sales taxes. Since different states have different rules, it is best to obtain the regulations for the state where your business is located.

9. Penalties for non-compliance with state sales tax laws vary, but in general are quite strict. It is best not to take chances and to strictly comply with the

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laws of your state.

10. Many cities throughout the country levy sales taxes. Such taxes are beyond the scope of this article. The principle and basic rules of city sales taxes, however, are similar to those of state sales taxes.

11. **SALES TAX RESALE CERTIFICATES.** Laws may vary by state but the principle is based on the premise that the sales tax is only paid by the consumer or "end-user." Yet your supplier is required by law to charge you the tax unless you can furnish him with a Sales Tax Resale Certificate. Example: You sell a series of reports both to customers in your state and customers in other states, and you have them reproduced at a local quick print shop who charges you the appropriate sales tax.. Call your local sales tax office to obtain an application for a Tax Resale Certificate. As soon as you present it, your supplier can cease levying the tax on you. As previously stated, the reports you send to your out-of-state customer are not subject to state sales tax, but the reports you sell to your in-state customers are.

12. State use sales taxes are slightly more complicated to explain than sales taxes. A "use tax" generally applies under one or two circumstances : (A) You are buying certain quantities of supplies wholesale and are reselling most of the product. However, you are retaining part of the product for your own use or consumption. You must estimate that portion which you use, and pay the use tax on it.. (B) More commonly you are buying certain supplies for your own use and not for resale from an out-of state supplier. You must pay the use tax on those items.. Some common examples are: Office supplies, printing supplies, office equipment, etc. Obtain specific information from your state. Use tax rates are assessed at the same percentage rate as sales tax rates. Items you buy out of state which you resell, such as books or other products, are not subject to the use tax.

I strongly recommend that you obtain specific information from your local sales tax office and then adhere to all laws and regulations of your state. The inconvenience of dealing with those rules will be minor compared to the possible serious consequences of non-compliance.

The last page of this article shows (1) The sales and use tax rates which were in effect on July 1, 1990, in those states and the District of Columbia which levy sales and use taxes. Changes may have occurred since that time.. (2) A sample ledger sheet which may be one way you could record your sales taxes. If you are audited, it is important that you be able to produce a workable system that indicates you record sales taxes as a routine procedure. (3) That portion of a sample order form which shows the sales tax information.. Please note that almost all states levy the sales tax on that amount which includes postage charges.

YOUR HOME BUSINESS: OUTFOXING THE COMPETITION

MAILORDER—MOST COMMON MISTAKES

INTRODUCTION

Much of the following text is based on mistakes, some of them costly ones, which I made during the early part of my mail order career. In addition, I have worked with many people over the years and have observed the most common mistakes that are made over and over again by most entrants into this business.

THE GREAT MAIL ORDER MYTH There are a number of totally unrealistic and irrational beliefs about the mail order business. To believe in any of them can be dangerous to your pocketbook. Here are some of the most common ones:

1. It is possible to make vast amounts of money in a short period of time under the following conditions:

a. No experience b. Little or no investment c. Insignificant work effort

If this were a multiple choice test, then A, B, and C, would be FALSE—FALSE AND FALSE AGAIN

It does take experience, and knowledge, which can be acquired through reading, observing, and doing... There are many good books as well as some bad ones, on the mail order business. Stay away from books that make unreasonable promises. Our Special Report Series is designed to give you factual information on a specific subject. Universities and colleges across the country give courses in mail order and direct mail.

You can learn a great deal by observing companies that have been around for some time and are successful. Read their ads, study their offers and promotional literature. Some of the most effective direct mail offers are written by professional writers who are employed by large companies and who will not have a job unless they write successful and effective material. So, the next time you throw away a piece of mail from American Express or the Book of the Month Club, look at it and study it carefully.

The mail order business, like any business, requires an investment... It may be smaller, in many cases, than a business which requires a store front.. In most cases, mail order entrepreneurs launch their businesses from their homes. The amount of the investment is largely determined by the magnitude of the entrepreneur's effort. A part-time mail order business can be gotten off the ground for less than a thousand dollars... The belief however, that a business, any business, can be started for \$50 or \$100 is totally false. I might add, it can be very profitable to those who make their living telling people it can be done.. of course, they are usually the ones that want, and often get, the only \$50 they say it takes to start the business.

And now we get to the really good part—little or no work. In some peoples' minds, it goes something like this: Put in a few hours here and there, easy work, just stuff some envelopes, run a few ads; and wow, the money will be pouring into

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the mail box! Anyone who believe that probably also believes they are going to win a few million dollars in the lottery. The odds are not very far apart. Building a business, mail order or any other, is hard work.. It takes great perseverance, belief in your efforts and lots of work.

2. Many people believe that they can get lucky in this business. Don't believe it for a minute.. It is the greatest mail order myth of them all. To believe it is fatal. Look at this business in the same way you once looked at your job anytime you first began to learn a new skill. It took time to acquire those skills and this is no different. It will take time and also effort.

3. Finding the one book or product that thousands or even millions will buy. Well, it is obviously possible since it has been done, however, your chances of coming up with another Pet Rock or Rubik's Cube are highly unlikely. It is equally unlikely that you will discover the one book that will be bought by hundreds of thousands. But your chances of becoming a success in this business and making a lot of money are excellent, if you adhere to the rules and principles of the business.

4. Running a small ad in a national magazine and getting hundreds or even thousands of orders.

5. Renting a mailing list of 1,000 names and getting 150 to 200 orders. A very good list will generally produce no more than 2% to 3%, 20 to 30 orders for 1000 names. Your own list may do much better.

There are a few of the ,most common beliefs about our business that are almost always totally false.

PRODUCT CHOICE

Since my experience in the mail order business is exclusively in the area of selling information products, my comments will be most pertinent to that segment of the market. However, much of the information covered here is applicable to any product sold by mail.

The first task any new entrant into this business has to deal with is to determine what product to sell and to whom he will sell it.. This is a considerable task and it should not be taken lightly.. Many serious errors are committed in this area.. To become well informed in this area, it is necessary to read various publications that cater to those people to whom you wish to sell your products. Read the news content and study the ads. Send in for free information on those ads that are close to the products that you select have an ongoing demand so your customers will want to buy from you again and again.

During this early stage of your mail order career, it is of utmost importance to control your enthusiasm. If you don't, you will get drawn into the SHOTGUN APPROACH. In this scenario, you will be so enthusiastic and impatient that you will make a number of rapid moves such as the following: You will buy one or

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more distributorships; choose one or more products that you know a little about (it amazes me beyond belief that people make marketing decisions about products they have not seen—this is simply insane): run one or more of the publications; or rent a mailing list and have no idea how the names on that list were accumulated.

Needless to say, you can spend a thousand dollars or more in a hurry and you may get little or no results from your efforts.. And what is even worse, you will probably become discouraged and get out of the business before you had a chance to understand it at all.

When choosing a product, take care in considering all aspects associated with the marketing of it.. The most important considerations are: demand and repeat demand Cost and mark-up potential Shipping or dropshipping arrangements Reliability of your major suppliers Product storage in case you decide to do your own shipping Cost of shipping

The most important consideration in choosing a product or line of products is your belief that this product represents a service or need to your potential customer. The product or products must also have related products that can be sold to your customer at a later time.. Each product you sell should be marketed with the aim of selling additional products. This is why, in general, selling just one product is so very difficult and selling a line of products via a catalog for example, is so effective... A versus a single one. The more items you can sell each customer, and the more repeat sales you can generate, the more money you will make.

THE PROMOTIONAL OFFER

Once you have chosen your product, set the price, decide who your supplier is going to be and how it will be shipped, you begin to put together the marketing material.. This is more crucial in our business than in any other business and it is also precisely the reason why a percentage of the population will not buy by mail—because they cannot see, smell or feel the product until they have paid for it.

The most common mistake committed in this area is to duplicate exactly what another enterprise is doing. One of the big problems with this approach is, since there is so much plagiarism going on in this business, you may be copying someone who is just as new in this business as you are and who is also copying someone else's idea. It is OK to copy what others are successfully doing example, many companies in the information product line will provide their dealers or distributors with ready-made promotional material. In most cases, this is the least expensive way to get started and, if you are dealing with a reputable and successful company, you will be promoting products that have been proven successful.

It is recommended however, that you use this approach only until you get your feet wet. Then you should begin to develop your own material. Once you

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have a better understanding of what sells and who is buying it and why, develop your own brochure, circular, etc. You can still utilize the material of others as an addition or follow-up to your material. Developing your own material is not at all difficult and can be done professionally and effectively on a rather small budget. A good promotional offer consists of several important components which include:

The circular or brochure, or catalog. A brochure or catalog does not have to be a 40 page instrument but can be as few as 4 pages.

An effective sales letter

The ordering instrument—this may be a built-in order form, separate order form, etc.

Return envelope

Of the above, the development of the brochure, circular or catalog, is the most expensive so here is where you will most likely use something that is supplied to you by your supplier.. A hard hitting sales letter is as important as the brochure. You have generally three options in tackling this project:

1. You can copy one from someone else. Since an exact copy may be illegal, you should probably use elements of the letter and make some changes but the end result generally leaves much to be desired.

2. You can pay someone to write one for you. This can be very expensive and may still bring about less than desirable results. The biggest problem here is that the writer of your sales letter will generally not understand your product as well as you do.

3. Do it the right way, the hard way. Do it yourself.

There are many good publications on effective letter writing for direct marketing and you should read one or more of them. Keep in mind that no one will understand your product as well as you do..

To do a good job, it is a definite requirement that you believe in the product and believe that it has one or more important benefits to the buyer. Just having the desire to sell the product, so it will make money for you,, will not cut it as a rule.. Once you understand the basic components that need to be in every sales letter, you should be able to write one.. A little practice may be necessary. You will become more proficient with each new product.

An order form should be user friendly. Your customer should be able to read the instructions with ease. If your brochure, circular, etc. has a built-in order form, it is generally a good idea to enclose a separate order form.. This way the customer can keep the original offer intact.

Enclosing a return envelope is strongly suggested. The idea is to make it as easy as possible for your potential buyer to part with his money and send it to you without too many hurdles.

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The biggest sins are committed under this topic of The Promotional Offer and, since the promotional offer is the only thing your customer sees before deciding if he will buy from you or toss you in the nearest trash can, you must do things right, there are absolutely no exceptions. If you are sloppy here, if you try to save a few bucks, you are cheating yourself, not your customers. Keep in mind he is an expert at rejecting offers since he had many years experience. The average American is presented with approximately 6,000 plus offers to buy something per week—TV, radio, newspapers, magazines, road signs and, last but not least direct mail. Or, putting it into more personal terms, YOUR OFFER. So sweat over this one SO YOU WON'T GET TOSSED.

The money which is wasted annually in this country on substandard direct mail would make a substantial dent in our country's national deficit. Every week I see dozens of offers come across my desk that could make me weep.. Such garbage! Return envelopes with crooked rubber stamp imprint, sales letters with spelling errors, grammatical errors, etc., so called brochures which were apparently copied by a 20 year old copying machine.., circulars that look extremely unprofessional because the order from section has obviously been changed by a typewriter and they arrive all by their lonely selves, no sales letter, no return envelop.. God it is awful! The authors of this garbage are screaming to the world: "I am an amateur, I am an amateur, I have no idea what I am doing but I want your money. You'd better believe and not forget that this country is made up of 240 million of the most sophisticated buyers to be found anywhere on this globe.

Yet, this is also the area where you can shine and excel beyond your wildest dreams.. Modern technology has given us the tools to produce marketing material that can make you look as good as some of the largest and most successful companies in this country. And you can do it right out of your home. You will find professionals who can help you in this endeavor. Right in your own city there are desktop publishers, graphic designers, and word processing services that are eager to help you. You could get a 4 page brochure designed for as little as approximately \$100, in most markets, plus printing. The brochure can look just as good as the brochure of a million dollar company.

Therefore, you must do things right. The average buyer will look at your piece for less than 8 seconds to decide whether to junk it or study it.

MARKETING YOUR PRODUCT VIA ADVERTISING

Most new mail order entrepreneurs will sell their products through advertising once they know what they will sell and have developed their promotional offer. Since display advertising is generally quite expensive, it is best to start out with classified ads in monthly national publications. Classified ads, as well as small display ads, should only be used to get inquiries from promotional buyers. The inquiries are sent the promotional material you have developed and a percent-

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age of them are converted into buyers. This percentage generally will range from between 6-12%. If you want to sell something directly from an ad, the item should cost less than \$4. There is not enough space in a small ad like that to convince a buyer to spend \$10 or \$20. For that reason, you see full page ads selling products in that price range.

The first task is to choose the right magazine. One of the most effective ways to find the right magazine is to choose one that carries ads by successful companies that sell products similar to yours... The wrong magazine is generally the one whose content attracts readers who are not at all interested in the product you are selling.

Choosing the right classification in the publication is as important as choosing the right magazine.. Again follow the leaders. Since there are thousands of magazines catering to almost every possible interest group, the possibilities of finding new opportunities to market your products are unlimited. I suggest, however, that in the beginning you stick with well known magazines and leave your experimentations for later when you are better established.

Monthly publications are generally more cost effective than weekly magazines, and certainly, daily papers. You can get inquiries from a national publication, such as Popular Mechanics, for months and sometimes well over a year. A daily paper, on the other hand,, will rarely produce an inquiry beyond 2-3 weeks after it was published.

A common advertising mistake is to choose inexpensive advertising such as in shoppers papers, mail order trade journals, etc. It is not how much the ad costs but how much each inquiry costs you... If you ad costs \$100 and you receive 100 inquiries, each one has a direct cost to you of \$1. Early in mail order career I spent a lot of money for a \$10 ad here and a \$20 ad there. I soon learned that sometimes I would only get one or two inquiries for my \$10. Expensive! To test a product and promotional offer it is sufficient to run the ad just once.. The magazines and advertising agencies will often tell you that to test an ad you must run it 3 or more times. I say no. Not until you know how the first one pulls. You will need some patience for this endeavor since most monthly publications have a lead of two or three months.. But its is much better to wait a little while than to spend hundreds of dollars without getting needed results. To write successful ads also takes practice and work.. Once again, follow the leaders. A successful ad can often pull two, and sometime three, times as many inquiries as an ineffective one.

MARKETING YOUR PRODUCT VIA MAILING LISTS.

This approach is often preferred by the newcomer. Unfortunately, it is also generally the least effective way. It is preferred by many because it is perceived to be easy. And if it worked it would be. Millions of dollars are made by companies in renting the wrong names and stale names to new mail order entrepre-

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neurs.

Both sides lose. The company renting the names will not get any repeat business and the customer often goes out of the business if his efforts are futile. Almost my very first mail order experience, "a very rude awakening," was when I rented such a list, sent out 1,000 offers (first class no less- a definite no, no) and I got how many orders: "How about two or in dollars \$20." Between postage, printing, renting the list, etc., my cost was well over \$300.

The most unfortunate mistake newcomer make here is to assume one list as good as the next one. I generally recommend that inexperienced mail order operators start out advertising, and as they gain experience, begin to use mailing lists in addition to their advertising. But, if you absolutely cannot resist, at least be very picky in choosing your lists. Deal with a reputable broker or smaller mail order company that you know advertisers frequently. Find out how the names were generated. What did the ad that brought the inquiry sell? If you are trying to sell books on how to start a new business and end up with the names of people who answered an ad about how to find a better job or learn a new hobby, you will have wasted your money... Likewise if names are older than 6 months, preferably no more than 3 months, you will get too many returns and people may not be interested in the same subjects anymore. Mailing lists especially your own, can be highly successful, but only if you have gained enough experience to make wise selections.

MANAGING YOUR BUSINESS

The single most important element of managing this or any business is watching each and every expense. Although mail order companies, even larger ones, have relatively low costs in the area of labor, office rent, etc., they do have very high costs in these categories: postage, printing, and advertising. You must watch these expenses like a hawk. The best way to look at your expenses is on a per unit basis. We already addressed the cost per advertising inquiry. Let's now look at a typical mailing of 1,000 pieces.

Your Cost 1,000 #10 envelopes.....	\$25.00
1,000 #6 3/4 return envelopes.....	20.00
1,000 sales letters imprinted on both sides.....	28.00
1,000 order forms 8 1/2 x 11.....	28.00
1,000 4 page brochures.....	90.00 1
,000 postage (bulk 0.26.7 cents per.....	167.00
Total \$358.00	
1,000 names—rental.....	40.00
Total \$398.00	

Now think in terms of cost per unit, each one costs 40 cents. If you were to

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use First Class Mail instead of Bulk Mail, your cost would shoot up to 48 cents, a 20% increase. If, on the other hand, you could buy your printing for a little less, you might be able to cut 5 cents off your cost.

It is also very important that your product allows you a high enough profit margin. A markup of 200% is preferable but 100% may be sufficient, especially if you sell via catalog and will therefore, generate more than one item per order.

Let's assume you will get a 1.9% rate of return on this mailing which will give you 19 orders at an average order of \$38.00 which:

Would give you a gross take of..... \$722.00

Less — Cost of product - 35%.....-.252.00

Gross profit..... \$470.00

Less — Cost of Mailing..... - 398.00

Net profit.....\$ 72.00

Let's assume you had sent your mailing First Class. The additional \$80.00 would have robbed you of your entire profit.

The above figures are merely used to illustrate the importance of thinking in cost per unit and being highly cost conscious.

The receding pages have attempted to cover some of most important areas you should be aware of as you start out in this exciting business. Although the emphasis in the preceding pages has been largely on the negative, I believe strongly that this business has immense potential and rewards for anyone who has the interest and dedication to learn it. If you do your homework and make deliberate moves based on your personal knowledge and experience and you expand with each success, the potential for your ultimate success is almost unlimited. Don't forget that unlike your friendly neighborhood retail store which sells only to a confined geographical market, you can market your product to over 260 Million people in the U.S. and Canada.

So remember before you can earn you must learn!

HOW TO CREATE CIRCULARS, SMALL BROCHURES, AND SALES LETTERS THAT WILL GET YOU ORDERS, NOW!

WHY ARE YOU WRITING THIS BROCHURE OR SALES LETTER?

A great deal of money is wasted each day in putting useless sales and marketing material. Material that was written for the wrong reason or the writer forgot its purpose after he started writing it or fell in love with his own words.

The single purpose of any marketing communications is to get the reader to take action... That action may be to request additional information or to phone in or send in an order. Before you write any marketing document be sure you are clearly focused on this point. As you write each sentence and each paragraph,

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constantly ask yourself whether what you are writing will get your prospect to act.

It is easy to get sidetracked but don't fall into this trap.. Your purpose is not to tell the readers how clever you are or how great your company is to try to entertain your reader. Your only objective in writing this material is to get your prospect to:

1. Send in or call in an order. 2. Obtain more information, if that is your intent.

So, before you write your material, write down its purpose and then stick to it. The focus should always be on the prospect, not the writer!

All of us are barraged with direct mail pieces every day. Have you noticed how many of them, even in the opening paragraph, miss the point which is you the reader and your needs.

Here are two examples. Both were written by magazines with the purpose, I assume, to get the reader to spend advertising dollars. You decide which one is doing the job.

I. Avertiser's Introductory Special

Advertiser:

The XYZ Magazine is a monthly national mail order newspaper which is circulated by mail... Our readership of 1,000,000 are mail order responsive subscribers, Opportunity Seekers, Investors, Salespeople, etc.

2. Looking For A Fresh Start?

Millions of Americans have a dream, and that dream is to become rich and successful in an exciting, lucrative business of their own — What better way than to start through classified advertising.

When you receive a sales letter or brochure that focuses on you, don't you take notice and get further into the material?

Make it a practice, at least until you become more experienced to scan each and every promotional piece that is sent to you. You will quickly establish the difference between effective and ineffective material.

Some Research Will be Helpful

Writing the right material but directing it to the wrong person is fatal. Don't you often get married, especially direct mail pieces, which have absolutely nothing to do with your needs or interests.

Know who you are writing to and what that person wants.. How can he benefit by what you have to offer. One way you can accomplish this is by picking out those classified or display ads that resemble what you want to sell. Then send in for more information.. You soon learn how the product is being marketed by different companies.

The very best way to write material that reaches the prospect is by writing

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to one person rather than writing for mass appeal.. It will keep your style easy and friendly.

Lethargy is human nature and overcoming it will be one of your greatest challenges... Most of us are lethargic by nature.. If we can do it tomorrow or next week, why not.. People feel if they don't take any action they cannot make a mistake. Every marketer has the formidable challenge of overcoming these "Non-action Tendencies."

The anxiety/fear syndrome can be effectively used to overcome the above... For example: "This is a limited offer." This offer must be exercised by date...Be believable in what you are saying. Consider using testimonials, government studies, well known research, etc. to aid you in making your point.

For example, research pertaining to the start of any enterprise indicates that before any business can be started, someone initially has an idea and then at some crucial moment takes the first step.. It is when he translates the mental commitment into a physical act. This may be the purchase of a book, report, franchise, distributorship, going out and looking for a site for a retail outlet. etc.

This is why you see so many marketing documents how the marketer uses this fact in trying to overcome the resistance of inaction. There are many other ways you will think of in overcoming this resistance.

Features of your product or service such as how fast you deliver something, what color it is,, how it can be assembled are far less important to the buyer than benefits are to him.

The benefit of sitting on your new outdoor furniture, on your patio on a warm summer evening and enjoying a cool beer are far more important than the fact that this outdoor furniture is constructed of the finest material,, comes in four different colors, is delivered in 10 days and has a 30 day money back guaranty.

All you have to do is to watch the car commercials, of the manufacturers, not the dealers. What is the last time you have seen one that gives you much, if any information on the car. What do you see in many of these T.V. car commercials? Beautiful women, healthy looking young men, a beautiful sunset on the Pacific Ocean, and wonderful background music. The shiny new car, of course, is part of the scenery. But none of it really has anything to do with what a car provides, transportation, reliability, performance, etc.

There are many ways in which you can turn features into benefits by carefully weaving it all together. The fact that this lawn furniture you are selling is delivered in just 10 days brings the benefit of sitting on it, on a summer evening.....so much faster to your buyer.

Making an Offer and Asking for the Order

It is a mistake to leave it up to the prospect to take action and when to take it. If you leave it up to your prospect what to do and when to do it you may never

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get the order. He will have many distractions after he puts your offer down. The more time goes by, the less likely he will send an order. So give him a reason to take action NOW. You have already told him why he will benefit by your product.

Your prospect already has decided that he needs what you are offering because of the great benefits to him. Now, give him a compelling reason why he should act, now.

Making the Various Pieces of Your Material Fit

Your sales letter, your brochure, etc. must fit. Since you want to do a better job than your competitor and this takes time and effort, chances are very good that whatever you create is worked on over a period of time.. The brochure may be created one week and the sales letter a few days later.. Make sure that it all fits and complements each other. Stick to your original outline which should be written down before you ever get started.

Some Final Thoughts

After it is all done give it one more review. Wait a couple of days and read it again. Then ask these questions: Is it directed to the prospect or is it about me. Is it of benefit to him? Am I making my strongest benefit. I think that is dead wrong.. Research indicates that the recipient of a direct mail piece takes about 8 seconds to decide whether to read on. So, give it your very best shot right at the start.

You are satisfied it is the best you can create. If you have come to that point it is important you get someone else confirm that for you. This should be someone who does not have a material interest in your offer.

When you create great marketing piece and it gets you the results which you planned for — more orders, more revenue and more profit— you will feel very good. Getting there is half as difficult as it may seem. All it takes is a little practice and a little more practice.

Wishing you success always

MAIL ORDER ADVERTISING DIRECTORY

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petent professional person should be sought.

From a declaration of principles jointly adopted by a committee of the America Bar Association and a committee of publishers.

INTRODUCTION

This directory was designed primarily for the beginning mail order entrepreneur. There are various Advertising Directories on the market. Some list a few hundred, some over a thousand publications. Listing such a vast number of publications is unnecessary and creates confusion for someone new to the business. Most of the publications listed are neither suitable nor do they accept classified ads. Even the smallest display ads in certain magazines often cost thousands of dollars. Therefore, we felt strongly that a smaller directory, listing only those publications which accept classified ads; cater to the mail order field; and have proven to be successful for many small mail order companies, was definitely needed.

THE MAIL ORDER ADVERTISING DIRECTORY lists only about 150 publications. We think the best way to get started with your advertising effort is with small well-placed classified ads in national, monthly publications. As you gain experience and your business grows, you should definitely work with display ads as well. The smallest display ad which is generally available from mostly national publications is 1 inch in size. It may cost anywhere from 100% to 300% more than a typical 20 word classified ad in the same publication.

We also did not list any daily newspapers. Mail order advertising is generally not cost effective in a "daily" due to the very short shelf life of one day to 3 days (weekend edition). Weekly, but especially monthly publications, by contrast, can generate inquiries for several months. Some of the major daily papers however, can be effectively utilized to obtain quick test results for a given offer. Many of the publications listed in our directory lend themselves very well to information products such as books, manuals, directories, tapes, etc.

SOME GENERAL COMMENTS AND SUGGESTIONS ABOUT ADVERTISING

Advertising Expense

As a newcomer to the mail order field, you have probably already learned that besides the cost of the product you sell, your biggest expense are in three major categories, namely: Advertising, printing, and postage. It is vital that, right from the start, you control these expenses carefully.. These major expense categories make up close to 90% of the budget of an owner-operated, home-based mail order company.

In a classified ad, you generally pay a per-word rate. A few publications, as well as daily newspapers, charge a per-line rate. Many publications have minimum word requirements of about 15 words. Each word used in the ad, including all components of your company name and address are counted. Since per-word rates range anywhere from approximately \$2 to \$15, it is important to choose your

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words carefully so you get a maxim number of inquiries for a minium amount of expense.

The most effective way to evaluate the cost effectiveness of your ad is on a cost per inquiry basis.. As an example, an ad which costs \$100 and generates 100 inquiries has a per inquiry cost of \$1. Such an ad may therefore, be far “less expensive” than a \$10 ad in one of the hundreds of small mail order publications. Such an ad may cost \$10 but if it gets only two or three inquiries the cost per inquiry is prohibitive.

As a general rule, we recommend not using small mail order publications or ad sheets. Advertising in these publications is usually quite inexpensive and, consequently, very tempting.. But a \$10 ad here and there can quickly add up,, especially if there are unprofessional appearance and has no news content, only ads, you should stay away from it. Within the directory, we have listed about 15 mail order publications from which we have listed results. These are listed in alphabetical order along with the other publications and are classified as Mail Order Advertising Magazines/Tabloids. They are preceded by an * asterisk.

How to Test an Ad

If you are advertising a product for the first time, it is generally best to place just one ad. After you have evaluated the effectiveness of the ad, place additional ads. Multiple insertions do save money, but it is best to wait until you know what ads, in which publications, work best for you. In a monthly publication, most inquiries will come in between the second and fourth week after the ad first appeared. If you are running the same ad in different publications, be sure to code each ad, such as by department number.

Choosing the Right Publication and Classification

Choosing the right publication requires some effort on your part. If your budget allows it, buy a few of those magazines you are considering advertising in. Review the ad as well as the news and editorial content.. You want to determine if the readership of a magazine is the right audience for your offer. In most cases, your ad will be well placed in a publication which advertises similar products. Your ad would be especially well placed in publications which carry repetitive advertising of successful mail order companies which sell products similar to what you offer. Choosing the right classification is just as important as choosing the right publication. Choosing the right classification can mean 50 even 100 more inquiries. Again, generally, it is best to place your ad under the same classification as your competitors do.

Suggestions for an Effective Classified Ad

“get the readers’ ATTENTION—quickly.” The headline/first impression is critical. Most publications allow 2-5 BOLD WORDS free of charge. Use those words well to get your opening message across.

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“Arouse INTEREST as soon as possible” by giving your reader the important benefits.” Waste no time in telling your prospect why he should buy from you.

“Stimulate DESIRE for your product or service.” Tell the reader how he will benefit.

“Generate ACTION By telling him exactly what you want him to do” at that specific moment in time, such as: Write for FREE REPORT today!

Most classified ads are best used to generate inquiries which are sold not by the initial ad but by the sales literature they will receive. Mail order advertising pros agree that it is almost always impossible to sell an item costing more than \$3 to \$5 directly from a classified ad.

ABOUT LISTINGS ON THE FOLLOWING PAGES

Publications are shown in alphabetical order. Each listing consists of the following data: name and address of publication, circulation, frequency, per-word or line rate (some publications do not have rate information due to an impending rate charge or unavailable date at time of publication), and category.. Due to frequent rate changes by most publications, we recommend you write to the publication requesting a current rate card before placing an ad.

Publications shown in bold are weekly or monthly national publications that we believe will give you the best on your return advertising expenses,

* Publications preceded by an asterisk are major mail order trade magazines. If you would like a more complete listing of over 100 Mail Order Trade Magazines, order Directory of Mail Order Publications. \$3.00

IN CONCLUSION

The goal of all advertisements is the successful presentation of the advertiser’s message so that he realizes the maximum amount in sales and profit.. The idea is to create reader interest and get responses that result in CHECKS and ORDERS.

MAIL ORDER BOOKKEEPING BASICS

INTRODUCTION

This information is provided for individuals who are starting a mail order business and require a basic bookkeeping system. It has been written for someone who has little or no bookkeeping background. No income tax or professional advice is rendered. Such advice should be obtained from a CPA or an Attorney.

The operation for any business requires a basic system to keep track of income expenses. There are two good reasons to keep good records.

1. It is the law. The IRS, State Income Tax Division and State Sales Tax Division (where applicable) requires you to keep complete and accurate records.

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2. Keeping good records is good business. It helps you to understand your business better. It will let you know at all times how your business is doing — how much money you are making or losing. In addition it enables you to analyze expenses and revenues. You can see how seasonal and other trends develop. All of this will help you to make sound business decisions.

BUSINESS CHECKING ACCOUNT

It is best to set-up a separate business checking account with your bank for your business. This account should be used only for deposit of business related income and payment of business expenses. In this way you can maintain a distinction between business and personal expenses.

STATE SALES TAX

You are required by law in most states to collect the appropriate State Sales Tax. This only applies for sales within your state. Out of state purchasers are not charged a sales tax. Only the end-user pays sales tax. If you should be selling to a dealer he can provide you with a sales tax exemption certificate.. In this case he is not required to pay the sales tax to you since he will be collecting it from his customers.

STATE USE TAX

The Use tax generally applies when a company buys supplies or equipment for its own use from an out of state business. It does not apply when material or merchandise are bought from an out of state company which will be re-sold. The use tax rate is the same as the sales tax rate.

For specific information on regulations in your state call the nearest State Sales Tax Division in your area.

ACQUISITION OF EQUIPMENT

When acquiring office machines, such as typewriters, computers, copiers, furniture, etc. such expenditures are generally depreciated on your tax return over a period of time.. For specific information check with a qualified tax advisor.

EXPENSES RELATED TO A HOME OPERATED BUSINESS

If a business is operated from home in many instances a portion of rental, mortgage or other expense may be deductible when filing your income tax.. The same may apply to utility expenses. There are specific laws pertaining to this, and again you should get professional advice.

EXPLANATION OF FORMS

We have provided you with several forms. You can use them as they are or change them to fit your particular needs.

1. DETAIL OF MONTHLY EXPENDITURE FORM

In the left hand column you keep track of expenditures for merchandise and products that you resell to your customers. The accounting term is generally

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cost of goods or product, or cost of sales.. If you sell books by mail you would record your purchases for these goods (including drop shipments) in this column.

The right hand column should be used to record all other expenditures. You obtain this information from your business checking account. If you pay for business expenses by cash keep track of these expenditures separately and enter into this column also.. If you also use one or more credit cards to pay for business expenses list these expenses here too.. It is best to designate a specific credit card to be used for business expenses only.. Do not intermingle personal charges. In this case you may be able to deduct the interest on your taxes.

2. INCOME AND EXPENDITURE FORM

Record your daily income in the left hand column. Since you may not have income on a daily basis in the beginning stages of your business you can record income less frequently, such as weekly or even monthly.

You may wish to keep a separate income journal. The purpose of such a journal would be to give you a more detailed breakdown of your revenue. Set it up in any way you feel it will best suit your needs. For example you may want to record new business separately from repeat business. If you sell dealerships and books, for example, you may want to record the revenue from dealerships separately from the revenue for books, etc.

In fact the right column of this form you can keep track of your expenditures by category. Again you can change the categories to suit your particular needs.

When you deduct your expenses from your receipts at the end of the month you will have an income or loss figure for your business

PROFIT & LOSS STATEMENT FORM

Here you show you monthly revenue, expenses and profit loss. There are no requirements for you to do this on a monthly basis..

Especially in the beginning stages of your new business, you may want to generate a Profit & Loss Statement on a quarterly basis, semi-annual or even annual basis.

SUMMARY

The above information and forms will give you a basic system. Tailor it to fit your own situation. You may want something more elaborate or less detailed. Or you may not even put all your business accounting on your P.C.. If you are considering to acquire a software program to help you with your accounting I would strongly suggest you wait until you understand your business well. Also accounting software can be difficult to use for an individual without accounting background. A personal money management software system will generally be quite adequate for most small businesses.

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Don't get overwhelmed by record keeping for your new business especially if this is something new for you. Governmental agencies do not require you to keep your books in a particular way but do require you keep good records. This also means that records must be substantial. Again your accountant can give you detailed information on existing requirements.

While the big task of any new business is developing sales and acquiring customers, good record keeping is generally found in successful business operations. Your records provide you with accurate present and past information that you as the owner and president of your company must use constantly analyze your business so you will maximize profits.

CONTROLLING MAIL ORDER'S KEY EXPENSES

At this time you may be starting a mail order business maybe you started a business some time ago... In either case this information is designed to make you aware of the critical expense

categories of our business

Business entrepreneurs generally channel most of their energies into building a customer base. We all know that without customers there will be nothing else to worry about.. At the same time it is important to be very cost conscious right from the start. The mail order business requires very cost conscious management.

A mature mail order business has 6 major expense categories which will make up about 85% to 90% of its total monthly cash outlay:

Cost of product Advertising Postage Printing Labor Rent

The new mail order enterprise will however not be concerned with either labor cost or rent for office or warehouse space. Those expenses will come later as your business grows, However, the other 4 expense categories are critical from the start.

1. Cost of Product

These are the items you buy from your suppliers for resale to your customers. In the first two years of operation your cost of product will be higher than later when you can buy in larger quantities at better prices and when you have a good understanding of what sells. At the start it is important to know

that your cost of product should be kept at below 35%. That does not have to work out for each product but it should represent an average for all goods. You may for example elect to have some sales leaders which have minimal mark-ups but you feel that they will generate additional sales. Your mark-up may be as little as 10%. On the other hand, you will have items that have mark-ups of 10 or even 20 to 1.

In establishing your pricing you must be aware what your competition

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charges. It is best to be in line or slightly below your competition. Or you may choose to charge more than your competition because you give more or better service.. Do not succumb to greed. Newcomers to the mail order business sometimes commit this folly. Since volume of sales is ultimately more important than profit per item careful pricing is important.. If the cost of a book you are selling for \$15.00 is \$4 you may be better off to lower the selling price to \$12.00 and increase your sales. As you know - since you are one of them - the American consumer is very sophisticated. Suckers are in very rare supply.

The dropship method is the only way to go for a beginner. This way you do not have to tie up any start-up capital for inventory.

You want to be sure you are dealing with a reliable company and therefore price will not be your only consideration. Make sure as possible that your supplier is as responsive to a \$4 order as to a \$100 order. As soon as your volume increases start shipping and you will be in a position to enclose your promotional material.

2. Advertising

This is a major expense for a new mail order company and in the early months of building your business it may be your highest expense. Essentially in our business there are only two ways to find new customers via advertising or via direct mail.. Although many newcomers have a fascination with mailing lists they will soon learn that advertising is more effective and less expensive. Here is a hypothetical cost comparison for both approaches:

Direct Mail - 1000 pieces

Mailing list \$40.00 Postage (bulk rate @ 0.16.7) 167.00 1000 #10 envelopes 55.00 1000 return envelopes 50.00 Promotional material (est) 120.00 Total excluding labor 432.00

Cost per unit \$0.43 Response 1.5% = 15 orders X avg sale \$25.00 375.00
Cost of product 35% 130.00 Net

245.00 Loss for above mailing is <187.00>

Although the above is hypothetical, it must be understood that returns of higher than 1.5% are rare when using someone else's list. When using your own list, they may be substantially higher.

Therefore direct mail campaigns rarely work unless the average order is in excess of \$45.00 or you profit per order is about 500%. Before you undertake a mailing you owe it to your pocketbook to calculate your expected return. Your aim should be to break even at a 1% rate. Our mailings are geared to break even at 0.7%.

1. Response for a well written classified ad in a monthly publication may vary between 60 to 250 depending on the publication and the season.

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2. The national average for conversion from inquirer to buyer is between a low of 5% and a high of 12% depending on price and other factors.

In the advertising scenario, you have a good chance to make a little money right from the start. Many mail order companies are satisfied to break even. The initial effort in responding to the inquirer of your classified is only the start. Over the next 12 months you should be sending at least 3 more mailings to those inquirers who did not buy the first time.. And you should mail to

your buyers about every 6 weeks to 3 months until they have not bought from you for about one year. Now if you had a crystal ball

or a very sophisticated way of tracking the progress of each of the above initial 150 inquiries of your classified ad and could take another look at the results a year later, you would most likely be very pleasantly surprised since the \$23 has now grown to several hundred dollars.

The greatest assets of a mail order company are its mailing lists. In the beginning you will have zero names, a few months later you may have a couple thousand, a year later 10,000 and gets out on a daily basis, the more orders will come in. The more

mail are several important ways you will save money in your advertising:

1. Select well known monthly publications which are read by individuals interested in what you have to sell. Monthly publications will generate inquiries over many months since they are kept on hand and read by different people. Bi-monthly or weekly publications may be acceptable also. Stay away from Daily Newspapers. They have a shelf-life of a day or less. They should only be used for testing... And above all stay away from "cheapies" like ad sheets, shoppers papers, etc.

2. When evaluating the cost effectiveness of an ad it is not the cost of the ad that counts but the number of inquiries it generates. A very inexpensive \$15 ad which generates 3 inquiries, \$5 per inquiry, is terribly expensive compared to a \$150 ad which generates 200 inquiries, 0.75 per inquiry.

3. To test an ad one insertion is enough. The results will either be very good in which case you should buy 3 insertions the next time for a saving of about 10%, or the results will be average in which case you may want to run another test, or they will be poor which may be caused by any of the following reasons: Wrong publication, wrong heading, or ad, reader not interested in the particular offer.

4. Keep the cost per inquiry below \$1.00

5. Write a tight ad. Each word including your address is counted.

6. By all means, set up your own In-House Advertising Agency. It is easy to do and will save you 1% right from the start.

3. Postage Postage is a big expense for any mail order firm.. This cost cov-

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ers three areas: Responding to initial inquiries, cost of shipping orders to customers (this will include carriers such as UPS) and the cost of repeat mailings to customers and previous inquiries.

The first category of responding to initial inquiries is most often handled via First Class Mail. If the cost of mailing a single piece exceeds 65 cents strong consideration to use Third Class Bulk Mail should be given. This is especially true if catalogs are mailed to prospective customers.

Repeat mailings to previous buyers and inquirers as well as mailings to a rented list should always be sent via Third Class Bulk Mail. The exception to this may be when mailing a piece which weights 1 oz or less. The cost for First Class postage is 25 cents compared to 16.7 cents via Third Class Bulk Mail.

Following is a broad overview of the usage of bulk mail. Your local P^O Office will give you specific information. The major advantage of using bulk mail is the considerable savings. The major disadvantages are the time it takes for a piece to reach its destination and the reliability of delivery. Recent surveys have indicated that a sizeable percentage of bulk mail never reaches its destination. This appears to be especially prevalent with light weight pieces such as #10 envelopes.

Basic requirements to utilize the bulk mail rate are that a bulk mail permit has to be obtained. The annual cost is \$60.. Anyone can obtain this permit.. Secondly, each mailing must have a minimum of 200 pieces and it must be sorted by zip code according to Post Office regulations.

The rate for the first 3.37 oz is 16.7 cents. Weights in excess of that weight are calculated by the combined use of a per pound and per piece rate. Each piece in a mailing must have the identical weight.

If as an example your piece weights 3 plus ounces your rate to send it via First Class mail is 85 cents. This compares with 16.7 cents for bulk mail... If you were to send 1000 piece per month, First Class cost would be \$850.00 versus \$167.00 for Bulk rate. This is a very sizeable difference. Even if you lost a few potential customers, it would most likely still more profitable for you to use bulk mail.

Bulk mail will generally reach its destination in a radius of about 500 miles in about 7-10 days, 500-1500 miles, 10-15 days, over 1500 miles 15 to 25 days. Some mail order companies will use a combination of bulk and first class. They may use bulk mail for destinations of less than 1500 miles and first class for greater distances.

If you can not generate at least 200 pieces per week you may want to consider to combine the responding to new inquiries with remaining the same piece to a previous inquiry.

The cost of getting the product to your customer is also quite expensive and

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needs to be carefully managed.. If you are utilizing the dropship services of a supplier you will not have any control over this expense.. It is advisable that you ship at least some of the orders yourself as soon as your volume makes this feasible.

The Post Office has given shippers of books and certain other bound written material a special rate category which makes substantial savings possible. Special 4th class mail costs 95 cents for the first ounce and 35 cents for each additional ounce.

Unless your customer pays you extra for first class or UPS service, this class of mail should be utilized. It will take a little longer in reaching its destination, but the savings are quite substantial.

UPS rates are generally less expensive in distances of up to about 1100 miles when compared with first class rates. Since UPS charges a basic weekly pick-up rate of \$5.00 you may want to utilize the services of an outside company until your volume is large enough to justify daily UPS pick-up.

4. Printing

Printing is another major expense and, unlike postage, a certain percentage of your printing cost may be for material that will become obsolete before the supply is exhausted. This is especially true for beginning mail order operations. You may decide to discontinue promoting an item and find yourself stuck with several thousand useless circulars.

For the above reason it is wise in the beginning stages of your new business to print in small quantities until you know exactly what sells and how it should be promoted.. You may wish to make exceptions for certain items such as envelopes which have continued usage. Printing in small quantities will cost more per piece but it is better than throwing money into a trash can.

As your volume increases and you see fit to have larger volumes of given pieces printed, be very careful in selecting your printer.. In addition to price you will, of course, also be concerned with quality and service. Some printers will provide additional free services with a print job, such as typesetting.. Always obtain several bids when doing larger jobs.. For example, at this time (summer 1990) 1000 11 x 17 pieces (this is a 2 page foldover) imprinted on both sides will cost \$130.00 in the Washington, DC area. The very same piece can be done by a printer in a medium size midwestern city for a little as 435.00. This represents a difference of over 8 cents per single piece.

If you are doing business in one of the many high cost areas of the country or in Canada, by all means consider doing business with out of town printers. You will see many ads in mail order publications.. Some of the best prices can be found in some midwestern and southern states. Lower labor and operating costs make these prices possible. Before giving a larger job to an out of town printer test his

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quality with a small job.

The cost of creating camera ready art work through professional graphic designers is substantial. It is strongly recommended that you utilize the free art work supplied by many suppliers until you are large enough to absorb this substantial expense or are able to produce it yourself through a desktop publishing software program.

Learning how to think on a per unit basis is real important in our business. The cost of printing, mailing and other costs are generally quoted and calculated for 100 pieces.. But to evaluate the cost effectiveness of mailing or advertising, etc get used to thinking in the per unit mode.

An acquaintance of ours who recently did mailing of 32,000 pieces was able to make a small profit on his mailing which was of limited success by making tow changes: 1. He utilized an order form which was built into the piece rather than a separate order form — saving 2.7 cents. 2. He used a #66 3/4 business return envelope instead of a #9 envelope — saving 0.4 cents. The saving was 3.1 cents per piece or \$992.00 for the entire mailing.

GETTING STARTED IN THE MAIL ORDER BUSINESS

HOW MUCH DOES IT REALLY COST?

INTRODUCTION

This report was written as a service to those individuals who are considering to get started in the mail order business. To get any business started successfully takes many ingredients. However all requirements, more or less, fall into one of the following four key categories: 1. Desire, 2. Knowledge, 3. Time, and 4. Available funds

This report deals only with the financial requirements of starting a mail order business. Hopefully it will help the reader to evaluate whether he is financially able to embark upon a business venture that will bring about success. It is generally true that it takes substantially less money to get started in many mail order businesses than in a variety of other businesses.

Many a promoter will want you to belive that it is possible to get started successfully for \$50, \$100, or even \$200. However, it is totally false. It does take more than that. How much more depends on many factors which I will try to define as much as is possible here.

Since the mail order business covers a vast number of services and products I would like to define the contents of this report to deal with the selling of information products. This is where my expertise lies. While the same or similar conditions may apply to any number of other mail order businesses, there may however be some differences to selling information products such as books, etc.

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The following makes a number of assumptions. The most important ones are:

1. The operator (or operators) of the new mail order business is employed or has other means of income.. He will not need to derive any profit from his new business for a period of time.. How long will depend on many factors.
2. This is a home based business which has no employees.
3. The business, at the start - until volume reaches \$3,000 to \$5,000 per month - will utilize the drop shipping services of a wholesale company.
4. Basic office equipment such as desk, file cabinet, typewriter or computer, etc... are on hand.

A WORD OF CAUTION AT THE START AND RESOURCE AVAILABLE TO YOU

This is an exciting business and it can be extremely profitable once it reaches a certain momentum. However, like almost all businesses it is a very cost sensitive business. For a detailed analysis of the key mail order expenses and their impact on your business refer to my special report:

CONTROLLING YOUR MAIL ORDER EXPENSES

As you are getting started in planning and setting up your new business which in my experience is one of the most enjoyable and satisfying experiences of a lifetime think and act with caution when it pertains to any expenditures. This is one of the most difficult things to do since you are probably very enthusiastic and want to do everything today. So you need to learn HOW TO CONTROL YOUR ENTHUSIASM or it is going to cost you a lot of extra money.

In this state of enthusiasm we tend to think that there is nothing we can do wrong and since we will be making lots of money in a few months let's get all necessary and often unnecessary supplies and equipment.. It would be much better to wait until profits of the business make it possible to acquire what is needed. In the meantime you can make do with less. To be able to do so is a most important quality for the owner of a small business.

If you are a parent think of your new business as a child. There will be a never ending sequence of surprises. And as the business grows so will its demands, and yes its expenses.

START-UP EXPENSES — INITIAL STAGE

The below listed expenses will be incurred in the very early stages of setting up your business. This is at a time when you probably are not sure as yet what you will be selling.. You will be writing to different companies for information to come up with the right product selection. Once you have decided what it is you will be selling you have to line up reliable suppliers, This is also a good time to buy a few books to help you with your mail order education. Although most ex-

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penses incurred in this phase are relatively small they will add up quickly.

Stationery and envelopes.....	50.00
P.O. Box rental.....	60.00 per year
Miscellaneous office supplies.....	30.00
Postage.....	50.00
Educational.....	45.00
TOTAL.....	235.00

START-UP EXPENSES — SECONDARY STAGE

You have now reached the point at which you have decided upon one or more reliable suppliers for the product you wish to market.. You may also be ready to have some promotional material printed. In addition you may be placing one or two classified ads for testing purposes.

Dealership or distributorship (1 or more).....	80.00
Small supply of brochures or catalogs.....	50.00
Printing of sales ltr,order form,Return env,etc.....	90.00
1 test ad, classified (national magazine).....	100.00
Business or traders license.....	30.00
Postage.....	25.00
TOTAL.....	375.00

Until now you have only had expenses for your new business. You have not derived any revenue yet. In the next and final stage of starting your business you may have some revenues. Stage one and two may take from approximately 3 to 6 months.

START-UP EXPENSES — THIRD STAGE

You have now reached a stage were you will expand your advertising, or alternately you may go the direct marketing route and rent a mailing list. The comparison of expenses and revenue results of a direct marketing effort versus classified advertising need to be carefully evaluated. Refer to my special report:

#4118 How To Control Your Mail Order Expenses

This report compares the actual expenses of a specific mailing against an advertising effort.

Since expenses for a direct marketing effort are generally higher than for a small advertising campaign, the below listed expenses focus on an advertising campaign

Advertising — 3 classified ads.....	280.00
Postage for inquiries derived from advertng	75.00
Miscellaneous office supplies.....	30.00
TOTAL.....	385.00

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ANOTHER IMPORTANT RESOURCE AVAILABLE TO YOU

SUMMARY

The combined expenses as listed above total just under \$1000. They are based on broad estimates and may vary somewhat by area of the country and individual circumstances. The figures are reflecting a minimum amount.. I have no question that some individuals may be able to cut expenses further. Since this planning period takes several months the expenses as shown above can be allocated over a period of 4-6 months.

The above figures represent a conservative start. For those who want to get started more aggressively expenses would be higher.. While many of the basic start-up costs would be the same the expenses that would increase would primarily deal with additional advertising, printing and postage expenses. By how much would largely be an individual decision.

Since most new businesses fail because of lack of funds, it would be advisable for an individual who does not have the necessary funds to get started to wait until he does. In addition to the basic start-up expenses an individual should also consider that most businesses will loose money for several months and sometimes much longer than that. Unfortunately no matter how well you plan, circumstances often change and we must make allowances for those eventualities.

POSTAL SAVINGS GUIDE

Published 1990 by Mascor Publishing Co. Silver Spring, Maryland

Any legitimate article of commerce may be sold through the U.S. mails upon truthful and honest representation - and the Post Office welcomes every legal enterprise to the use of the mails.

The purpose of this report is to provide you with practical information on more economical and efficient handling of your mail. With postage costs at an all time high, we believe you will find these suggestions on how to get more for your postage dollar especially helpful. Today, it is more important than ever to establish good mailing practices, practices that will make a profitable difference in your postage handling, and speed up your mail.

A WORKING KNOWLEDGE OF POSTAL LAWS AND REGULATIONS - By the very nature of the business, mail merchandising implies integrity. If a customer has to pay for something before having a chance to examine the article, his confidence is not to be abused. Selling by mail must be kept on a high plane of the dealer is to survive and prosper.

Lotteries, chain letters and schemes to injure or defraud are denied the mail privilege.. Nonmailable materials also include items not regarded as conducive to the public welfare, such as pornography. Excluded, too are materials (as inflammable liquids and chemicals) which could damage the mails or cause injury to postal employees.

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Every one who is using the mails to conduct business should become familiar with the postal retirements which apply to his particular enterprise. It is not, however, necessary or advisable for the beginner or small operator to attempt learning in detail all the ramifications of all the Postal Laws and Regulations. To the mail minded person, dealing with the post office is not anything new or strange. As a mail user in the past, whenever you came across something on which you desired information, you simply inquired at the post office. As a small mail order dealer you will be doing the same thing.., and there will not be a great range of questions that will concern you. If you are in doubt about anything relating to your situation,, inquire as to how the matter should be handled. The Post Office will answer all your questions.

PENALTIES FOR USING THE MAILS TO DEFRAUD - A customer should make a formal complaint in the case of misrepresentations and possible fraud with the Office of the Regional Chief Postal Inspector. There are 5 regions. The local Post Office will advise what region is responsible got a given area of the country.

If complaints from different parties have been received, the postal, inspector can ascertain that the seller is at fault. However, the Post Office will give a mail order business the benefit of the doubt and the business is afforded the chance of settling complaints fairly with customers.

Where the intention is clearly to defraud, the case is followed through with a fraud order to be issued by the office of the Postmaster General. Letters are then returned to the senders, marked across the face of the envelope "Fraudulent".. It is not the intent of the POst Office, however, for its inspectors to act as censors on transactions or adjusters of arguments.

In flagrant cases of fraud,, in addition to loss of mail use, a fine or imprisonment, or both, may be imposed. However, any honest individual who operates a mail-order enterprise as a business and not as racket need have no fear.

NEED FOR FAMILIARITY WITH CLASSES AND RATES OF MAIL - Since mailing costs are responsible for a major operating expense — approximately one fourth of the total expenses of a small mail order business — the mail-order business has to be able to figure how to get top efficiency for this major expense category.

A mail order business may, for example, save a great deal in the course of a year by knowing how pieces of sales literature can best be mailed and what the weight limitations are for specific postage charges. Among small dealers especially, there is much postage waste by failure to take into account minor details which in the aggregate run to respectable sums. Suppose, as an illustration, a booklet or catalog ready to mail just barely exceeds the limit for one rate and calls for more postage. A minor adjustment in the place can decrease the postage from, for example 65 cents to 45 cents. A thousand pieces mailed per month makes

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a difference of \$200 Dollars in lost profit.

Third-class mail, (also called bulk mail), may be used by anyone, but it is used most often by larger mailers. Basic requirement to mail by bulk mail are that the mailer obtains the proper permit,, minimum number of pieces must be 200 per mailing and all pieces are sorted by zip code. At this time the rate for Basic Bulk Mail is 0.16.7 for the first 3.37oz. Thereafter a combination of pound and pieces rate are applied. Almost all mail order companies use bulk mail when a given piece exceeds 45 cents for first class postage. The savings are substantial. The big disadvantage is the time it takes for delivery. This can vary greatly by region and time of the year. As a rule of thumb mail within a 500 mile range may take from 1 to 2 weeks, 500 to 1500 miles 10 to 20 days and over 1500 miles from 2-4 weeks. Your local Post Office will give you all necessary bulk mail information and the proper application.

The Post Office issues a number of informative brochures which are free and give information on key postal matters. For a list of currently available publications write to:

Consumer Advocate U.S. Postal Service 475 L'Enfant Plaza West, N.W. Washington, DC 20260

Since many prospective small mail dealers are interested in the merchandising of books, it is important for them to know that books can be mailed by preferential rate not enjoyed ny any other commodity. To take advantage of the reduced rates,, packages must be plainly marked "Special Fourth Class Rate", Current special Fourth Class Rate are 90 cents for the first pound and, 30 cents for each additional pound.

KEEP YOUR BUSINESS ABOVE REPROACH - Considering the number of people using the mails and the tremendous volume of business transacted by mail, the Post Office levies relatively few penalties. However, no business of any size can be carried on without some complaints. A policy of "Money Back Guarantee" or "Satisfaction Guaranteed" goes a long way in convincing the Post Office as well as your customers that you are a trustworthy business.

PACKAGING AND ADDRESSING PARCELS AND PACKAGES - Proper packaging and addressing of packages is the best way to prevent damage and loss. Use a container strong enough to protect contents during handling.. Cushion the contents if necessary to make sure they do not move within the container and affix the address information securely. Plastic packaging tape is recommended for closing and reinforcing the flaps and seams... Avoid using wrapping paper. The use of string could cause damage in processing. The address must be typed or legibly written one side only.. Use an address that's designed for efficient post office handling including proper zip code information - with the recipients address more prominent than your own.

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USE STANDARD SIZE ENVELOPES - Save time and money. For best results envelopes should be at least a few inches longer than the longest insert plus the combined total thickness of the inserts. When the inserts are thick and bulky, extra allowances should be made.

WATCH YOUR WEIGHT - A truly accurate mailing scale is a must for any mailer - large or small. Otherwise, you run the risk of underpayment of postage - and the irritation of mail being returned because of "postage Due". And of course, overpayment of postage can cost you a great deal of money over a period of time, so it is indeed important to have an accurate postage scale.

POSTAGE METER - If you send out much mail from your place of business, it might be practical to consider the convenience of metered mail. Some advantages are - Save trips to the post office. Eliminate the need for keeping loose stamps.. Stamp, seal and postmark quickly. Avoid loss of stamps. Print "meter ads" simultaneously with the meter stamps. Accurate postage affixing.

Postage meter equipment generally consists of two parts, an office mailing machine and a detachable postage meter, the latter licensed for use by the United States Postal Service. Since postage meters print U.S. postage and account for government revenue under official lock and seal, they cannot be sold outright, as are mailing machines, but are leased from an authorized manufacturer who is held responsible to the U.S. Postal Service for their proper operation and replacement when necessary.

KEEP YOUR MAILING LIST CURRENT - Only a "live" list can produce good results - and many mistakes on a list can be very costly. So be sure to keep your list constantly up to date. One way to keep your list clean is to print. "Address Correction Requested" on outgoing envelopes. The Post Office notes the reason for non-delivery, or the new address if known. The fee for address correction service is 30 cents per notice issued, for both Second and Third class mail. Undeliverable first class mail is returned free of charge.

SPECIAL HANDLING -Special handling service is available for Third and Fourth class mail only, including insured and certified mail... It provides for preferential handling in dispatch and transport, but does not provide faster delivery.

PRIORITY MAIL - First class and priority mail are one and the same... When first class mail exceeds 11 ounces it becomes priority mail.

WHAT TO DO WHEN YOU HAVE A POSTAL PROBLEM - When you have a problem with your mail service it is best to talk to one of the clerks at the Post Office. If necessary the clerk will refer you to someone else. It is best not to complain to management or file an official complaint at your own Post Office. Be nice with the clerks and try to get to know them. They are important partners in your mail order business.

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THE BEGINNER'S MAIL ORDER BUSINESS GUIDE

Note: This report is intended to relate personal experiences of a mail order operator in order to make helpful suggestions to individuals who are new to the field. No claim is made that the steps outlined would be successful for someone else. Each individual should obtain such professional advice as may be necessary for his particular operation.

INTRODUCTION

The following is designed to provide a check list for new entrants into the mail order field. Each mail order business is different, but there are common elements that apply to most mail order businesses, as well as some specific characteristics that may vary from business to business. The following suggestions were developed to assist you in avoiding mistakes which can be costly. Apply the various points as they may relate to your specific business.

COMPANY NAME

* Select a short, easily remembered name. * Unless you are using your own name, it is required in most jurisdictions that a trade name is either registered with the county or the state. * Before you spend money for printing material, make sure that the name you choose is not already registered to another company. You can usually conduct a name search with an office of the appropriate jurisdiction by telephone. * You may consider using a name that describes your product.

COMPANY ADDRESS

* Most newly established mail order businesses will operate out of their home until the volume of the business requires larger space. * Most mail order businesses prefer not to use their home address as their company address. If you do, you will advertise your home address in regional and national publications. You have two other choices, a Post Office Box (POB) or a postal box located in a commercial enterprise which rents out mail boxes. * A POB is generally the least expensive, both to rent and for advertising purposes. (See below) Some mail order operators claim that it reduces business because people do not trust a POB address. Yet there are just as many mail order operators who prove them wrong. the decision is yours. * If you rent a mail box in a commercial enterprise, (many have sprung up in recent years), your box number usually becomes a suite number in the address. * Almost all publications will charge you a full word charge for each component of your address, except the Zip Code and State which is counted as one word, Example: Information Books, 300 Main Street, Suite 611, Centerville, Md 20910 Or: Information Books, Box 1000, Centerville, Md 20910.

* The first address is counted as 9 words, the second one as 6 words. Since advertising costs anywhere from 50 cents to \$10.00 per word (classified advertising) you could save a substantial amount of money at the end of the year.

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TELEPHONE

* Some mail order companies do not show their phone numbers on their stationery, others do. I believe it gives the customer some comfort to see a telephone number, although he may never use it. * You can show your residence phone number in the appropriate printed material, or you can obtain a business listing for your home. * The residence phone is fine, for starters, if it is answered in a professional manner at all times. * If you plan to sell higher priced ticket items, however, (over \$15.00) a business listing would be advantageous since a prospective customer may pick up the phone and check with the information operator whether "Company X" is listed.

BASIC SUPPLIES

* Be conservative and frugal in your acquisition of items that you feel are needed. It's always wise to start small, and as inexpensively as possible, and as you build profits, you can buy more and better items. * The basics are a good quality typewriter, (you can rent one for starters for a few months). Business stationery, business envelopes (#10's), and return envelopes, either #6 or #9 is fine. All items should have your business name and address imprinted on them. * You will also need some mailing labels and some miscellaneous office supplies.

PRODUCT

* If possible, choose a product or products that people need on an ongoing basis. * Be sure the product is of acceptable quality. Know the product before you sell it. * If feasible, choose an item that is not widely available from retailers. * If you have a difficult time deciding what items or products to select, I suggest you read the following book: "How Mail Order fortunes are Made" by Alfred Stern. This book lists hundreds of different items. It will give you many good ideas. * Develop a line of merchandise. It is rarely possible to make money with just one or two items. The availability of a line of related products is paramount to mail order success. * The more specialized your products are, the easier your marketing becomes. * If you are selling books, for example, it would be impossible, except for a very large company, to sell all types of books. You may decide to specialize in books pertaining to sports, and may want to go even further by zeroing in on football or baseball.

SUPPLIERS

* Your suppliers should provide you with reliable, quality, and reasonable pricing. * Since you probably should provide some type of a money back guarantee (30 days is standard) you should expect the same guarantee from your suppliers. * When buying from out of town suppliers, be sure to include the shipping charge in comparing prices to local suppliers.

DROP-SHIPMENTS

* Under a drop-ship agreement which is available from many suppliers for

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a variety of products, the supplier ships your customers' orders directly under your shipping label. (Suggested reading: "American-Drop-Shippers Directory".)

* It is customary that the supplier guarantees not to include any of his promotional materials with the shipment; or to use your customer's name for any future mailings. * Drop-shipping arrangements are suitable for people getting started. It allows you not to have to carry a costly inventory. * As your business increases and you develop a sense of what sells well, you can stock limited supplies of certain fast selling items, and continue utilizing drop-shipments for slower products. Eventually, as your business flourishes, you can carry an inventory of everything you sell. * Handling your own shipments is advantageous for the following reasons: It cuts down your shipping expenses, it decreases the shipping time, and it allows you to include promotional material directly with the shipment. * When you do utilize drop-shipments, be sure to send your customer a note that his order is being processed and he can expect it by, or around a certain date. * It is unnecessary to make your customer aware of the fact that the item is being drop-shipped. Include some promotional material with your letter or note.

PRICING

* Buy at a price that allows you an adequate mark-up. In setting your prices, allow for all costs: * Cost of product, shipping cost and postage, bank charges including credit card charges, wrapping, bad debts, rejects, refunds, etc. In addition, the other normal overhead costs need to be considered,. Lastly, there is the substantial marketing cost for advertising, and for printing of promotional items. (See following paragraphs) * Your prices of course, have to be fair and in line with your competition. * It is not necessary that you make a big profit on each and every item. the real profit in mail order comes from follow-up orders. * **THE 3 BIGGEST EXPENSE CATEGORIES IN MAIL ORDER ARE: ADVERTISING, PRINTING COST, AND POSTAGE.** Over 80% of your total expenses are in this area. Watch these expenses very carefully.

ADVERTISING EXPENSE

* Start with classified ads. As you test them and know what is successful, you can switch to display ads. * To test an offering and a specific ad, run it once in a specific publication and you should get a reading that could be very positive or very negative. It might also be inconclusive. If that is the case, simply run it again. * It is best to test an ad by running it in different publications. * Advertise in publications that advertise similar products. * If you have a sure seller, buy larger space. * Special interest products should be advertised in special interest publications. * Keep on changing the ad and offering until you are satisfied it is right. * Examples of changes you can make are: size of ad, copy, appeal, special gimmicks such as discounts, free gifts or reports, etc. * Remember that a given ad can be 20 or 30 times more successful than another ad advertising the same product.

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it pays, therefore, to continue testing until it is just right. * Repeat a successful ad until you no longer get a satisfactory return. * The conventional advertising cost is 15% of sales or more in mail order. * To evaluate your advertising cost, think in terms of cost per inquiry. this is calculated by dividing the number of inquiries into the cost of the ad. that cost may vary from about \$0.80 to \$2.00 or more. * Be careful when you allocate advertising funds to small mail order publications. The ad may appear to be very inexpensive. However, a \$15.00 ad that gets no response is a lot more expensive than a \$150.00 ad that gets over 100 inquiries. * Stay away from those publications that have no news or editorial content, and also those that have poor printing quality. * There are a number of quality mail order publications, but it takes time to find the right publication for your product. (See American-Drop-Shippers Directory.)

ADVERTISING COPY

* Write tight copy. * Write as you speak. You are generally appealing to a mass market. * Prepare your copy carefully. It must fit your specific medium. * The emphasis should be on YOU rather than I, the company. * Be sincere and don't make unreasonable claims, but remember that you are selling. * Try to convince the reader that you are reliable and trustworthy. * Give simple specific instruction. * Key all ads to test their effectiveness. * Check and double check, and have someone else check your ad to make sure everything is correct and easy to understand. * Watch where your competitors are advertising. * Experiment with new publications. * It is generally considered impossible to sell something that costs more than \$2.00 - \$3.00 direct from either a classified ad or a small display ad. This is because there just is not enough space to convince someone to part with \$10.00 or \$20.00, for example. It takes a full page ad to do that. * If you use an agency, use one that specializes in mail order, even if it is located out of town.

RESPONDING TO INQUIRIES

* Each inquiry you receive in response to an ad should be answered via First Class, if at all possible, within 24 hours. * The contents of the envelope going to the prospective customer should contain: a circular, promotional flier, or mini-brochure, a sales letter, an order form (the order form can be part of the circular), a return envelope, and other appropriate information, such as a fact sheet, a free report, etc. * In general, circulars should be limited to one 8 1/2 x 11 page. * A sales letter, on the other hand, can be as long as it takes to say everything you need to say to a prospective customer in order to sell him the product. * Sales letters should have an attention getting opening. The idea of the opening is to get him to read the rest of the letter.

POSTAGE AND SHIPPING COST

* Answer inquiries to your advertising immediately and via First Class Mail. Use Bulk Mail for future mailings. * You can save a great deal of money by getting

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a Bulk Mail permit. The minimum number of pieces per mailing is 200. Mail must be zip sorted. Postage is 16.7 cents for up to 3.3 oz. Get more specific information from your Post Office. * Keep your mailing lists clean - updated. * Utilize all of the various mail classes, such as Printed Mail and Book rate. * Compare costs of shippers other than the Post Office. * Guarantee return postage. * Watch your shipping weight. A fraction of an ounce can make a big difference in a large mailing.

PRINTING COST

* Very large printers will not be interested in your business. Very small ones, quick printers and instant printers although convenient, are generally too expensive. Their equipment is not large enough to be competitive. * There are many medium sized printers that will give you good pricing and quality printing. Often they have the capability to help you with layout and design. * Don't hesitate to use out of town printers. If you live in a high cost-of-living area, you can probably save a substantial amount of money. Many of these printers advertise in mail order publications. * Utilize the promotional material available from your supplier. * Until you know what sells, print small quantities, even if it is more expensive. * Use colored paper for your promotional flyers to spice up your offer. Use white paper, blue or black ink for everything else.

CUSTOMER PAYMENTS, REFUNDS AND COMPLAINTS

* Accept cash, money orders and checks. * Some mail order companies state in their material that they will not ship for 10 days to 2 weeks when payment is made with an out of town check. This may be an unwise practice because, it can create ill feelings with your customers. NSF checks are rare. * An increasing number of mail order companies accept credit cards - Visa and MasterCard - for payment. It is generally felt that it does increase sales. * If you cannot obtain a credit card merchant agreement with your bank work through a credit card clearing house. A number of these companies advertise in mail order publications. Since these companies generally charge between 6-9%, it may be wise to set a minimum amount such as \$15.00 for credit card orders. * Remember, "the customer" is always right. An argument won, is usually a customer lost. * If you receive an order with an underpayment, ship the order and bill the customer for the difference. * Make refunds on overpayments quickly. * Most mail order companies offer a 30 day money back guarantee. Some offer 90 days and even more. * It is unwise to offer money back guarantees on items priced very inexpensively, for example, a \$3.00 report.

RECORD KEEPING

* As in any business, it is important to keep records. * You need records to tell you what is going on in your business; to evaluate both your revenues and your expenses. * It is also required by law that you keep certain records. * Keep especially good records of your advertising expenses so you can evaluate your

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advertising on an ongoing basis.

MAILING LISTS

* It is recommended that you do no direct mailings, except to your own list of customers and inquirers, until you have thoroughly tested a specific product through advertising. * Stay away from inexpensive mailing lists, under \$40.00 - \$50.00 per 1000. * Avoid mailing lists whose owners make unrealistic claims. * Work with a list broker who wants to see your product before he will rent you a list. Lists are rented for one time use. * Lists from professional list brokers rent from \$60.00 and up, per thousand names. * The general consensus is that you need to mail a minimum of 1000 names to get a fair reading. 5000 names would give you a more accurate test. * Buyer' names are better than names of inquiries. * The best mailing list is your own list of buyers. Second best is your own list of inquirers.

FOLLOW UP

* The most important factor in mail order is FOLLOW-UP Substantial profits can be generated from this segment, if it is properly handled. * You can generate a lot of sales by including promotional material when filling orders for customers. Other orders are generated from mailings that are made to former customers, as well as individuals who inquired about an offer in the past. * Send out regular mailings to your customers. At a minimum, four times per year. However, you can send out mailings as often as every 6 weeks or so, if you have a new product to offer. * As you build your mailing lists and you send out regular mailings, your orders will start flowing in.

RESEARCH AND EDUCATION

* Whether you are new to this field or not, to stay on top, you must continue your education by reading books and reports on mail order and subscribing to mail order publication. * Always be on the lookout for new products you can offer your customers. * Study the advertising of your competitors. Request their material and study it. * Study all mailings you receive. * disregard the MLM schemes that you receive, chain letters, recipe clubs, etc. they are all the same, a big waste of money. Many of them are illegal. * If you are new to mail order, study the attached information on various publications. Depending on your knowledge of the field, one or several of the books shown may be very useful and can help you to be more successful.

Continue to learn about mail order by reading, experimenting, and talking with other mail order operators. Have patience. Success will not come overnight. It takes time to build a successful business. Start slowly and expand your business from your profits.

Good Luck!

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MAIL ORDER LAWS AND REGULATIONS

An Overview

INTRODUCTION

The intent of this report is to give the newcomer to the mail order business an overview of those laws and regulations that most affect the small mail order operator. The intent is not to give legal advice. Such advice should always be sought from an attorney. Only those laws and regulations that apply to the small operator most directly are covered. Advice is given from the perspective of an operator of a mail order business rather than from a legal perspective.

For those interested in an in-depth review of the laws which affect the mail order industry, it is recommended that you read the following book: *The Direct Marketer's Legal Advisor*, by Robert J. Bosch, McGraw Hill Book Company.

THE 30 DAY RULE

To protect the consumer the FTC has enacted the Mail Order Merchandise rule which is generally referred to as the 30 Day Rule. Many states have enacted similar laws. Some of those laws have a more narrow definition than the federal law; the most notable is New York State.

The 30 Day Rule requires the seller to deliver the order within a 30 day period, unless otherwise stated in the sales literature. If the seller, for example, states in the order form that delivery takes 4 to 6 weeks, he has effectively insulated himself from the law. In a practical matter, however, he may have also affected his business in a negative way.

The 30 day period begins when an order arrives and has been properly paid for.

The 30 Day Rule is an easy regulation with which to comply. It should rarely take longer than 30 days to fill an order. If it does, the seller must notify the buyer of the delay and the reason for it.

Some mail order companies delay shipment of orders until checks rendered for payment have cleared. This should generally not take longer than 10 days. If the seller wishes to follow such a policy, he should so state in his literature. From the perspective of a mail order operator, I do not consider this to be a sound policy. NSF and ACCOUNT CLOSED checks are relatively rare and can be minimized with proper controls. If you practice such a policy, you may save a few dollars but in return you will make customers unhappy. I personally do not buy from companies that state in their literature that they hold checks for clearance. Most mail order companies experience very small bad debt ratios. It is recommended that you call the bank the check is drawn on to verify funds on larger amounts; as for example, on orders over \$50.

Once the buyer has been notified that an order has been delayed, the seller is automatically granted an additional 30 day delay unless the customer advises

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the seller that the delay is not acceptable. If he does not reply to the notification, it constitutes legal acceptance of the delay. In general, and in most states, the seller may obtain a second 30 day delay as long as there is a good enough reason.

The New York law differs from the federal law in that it stipulates a maximum period of 65 days (including delays) for an order to be filled. Newcomers to the mail order field residing in New York State should obtain a copy of the New York regulations.

The 30 Day Rule does not pertain to credit card sales. Credit card charges should be processed when an order is filled. If a mail order credit card sale is cancelled, the seller must issue a credit against the account of the buyer within one billing cycle following receipt of the cancellation request.

UNORDERED MERCHANDISE

The federal law pertaining to unordered merchandise is simple. It strictly forbids this practice. Free samples, if so identified, are exempted.

MERCHANDISE SUBSTITUTION

Most states, including New York, as well as the federal law permit sellers to substitute merchandise of similar or superior quality. The law requires it, and it is also a good business practice, to advise the buyer when making a substitution that he may return the merchandise free of charge if he is not satisfied. Certain items, such as merchandise which has artistic value, cannot be substituted. In this regard, for example, a book on how to start a given business may be substituted by a similar book on the same subject, but a book of literature by a renown author may not be substituted.

RETURN OF MERCHANDISE

Unless the seller specifically states that he does not offer a moneyback guarantee or offers, for example, a 30 day money back guarantee, he is required to make a full refund for a period of 60 days if the material is returned in good condition.

My own experience with returned merchandise indicates that it is quite rare. Our company, as an example, receives no more than 1-2 returns for every 120-150 orders. If you are a seller of information products and you sell reports or other information which can be easily copied, you may wish to enact a policy stating that there is a no return policy for reports, etc.

The above laws are the only federal regulations pertaining to the sale of merchandise which are unique to the mail order industry.

HEADLINERS IN ADVERTISING AND SALES LITERATURE

A few words should be said about the proper usage of some of the most common headlines used in advertising. Again, for an in-depth review of laws pertaining to advertising, refer to the book as listed above.

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The most common and most effective of these terms are: SALE, NEW and most of all FREE. FREE is a magic word in American advertising used by giant companies and small ones alike. By all means, these terms should be used since they do produce sales. and if the advertiser follows a simple rule of honesty in the usage of these and other advertising terms, he will stay out of trouble.

SALE

A sale is a reduction from the seller's own former selling price of a given article. The seller must have sold, not just offered the article, for a reasonable period of time. This simply means if a 50% discount is offered on a \$10 book, the book at some previous time must have actually been sold at \$10. If it just has a cover price of \$10 but was always sold at \$7, a \$5 price is not a 50% discount.

FREE

Free means it is free. To reemphasize, the term is very successful and will generate sales. But if something is offered for free, it should be free. the value of the free item cannot be hidden in another part of the offer, such as charging more for the other items than you would normally charge.

NEW

Here is another straight-forward term. It should only be used when new items are advertised. A new book is one which came out in the last 6 months (maybe 12 months, and that would be stretching it) but definitely not 2 years.

HOW TO START YOUR OWN COMPANY

Once you have decided you want to go into business, you must set yourself up to get started. this is not al all difficult. You should have no concerns on this matter. It is easy and inexpensive to do. There are no unusual legal requirements to sell by mail.

There are generally three ways to structure a business entity. the sole proprietorship, the corporation, and a partnership. The sole proprietorship is the easiest, fastest and least expensive way to set yourself up. In most cases this would be the way to start out for a small business.

Corporations have tax benefits that can be more advantageous than a proprietorship, but they also have strict record keeping requirements. As a rule of thumb, a business should be incorporated if it has annual sales in excess of \$250,000. It is against the law in most states to use the abbreviation inc. unless the business is incorporated. But you can use Co. Partnerships also have specific legal requirements. Forming a partnership is generally necessary when going into business with someone else. There are advantages and disadvantages in doing this. Besides sharing workloads and profits, the partners must get along well. It is almost always necessary to obtain legal counsel in order to set up a corporation or a partnership.

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D.B.A. AND/OR BUSINESS LICENSE

In most cities or towns it is required that a business license be obtained. In addition, you generally need to register your business name if you are using a fictitious name. If you are using your own name, it is not required. Call your local city or county clerk's office to obtain the necessary information.

A SUMMARY OF COPYRIGHT LAWS

For those interested in becoming self publishers either by creating their own work or using someone else's, here is a short summary of copyright law.

WHAT COPYRIGHT IS

Copyright is a form of protection provided by the laws of the United States (Title 17, U.S. Code) to the authors of "original works of authorship," including literary, dramatic musical, artistic, and certain other intellectual works. Under the copyright law, copyright protection (for printed works) pertains only to the words and their sequence; it does not pertain to any idea, process, system, etc., regardless of the form in which it is described. That is, you copyright the words contained in the copy, not the content. The copyright law generally gives the owner the exclusive right to do and authorize others to do the following: In the case of printed works, to reproduce the work in various forms such as copying, etc. It also gives the owner the right to display the copyrighted work publicly.

COPYRIGHT SECURED AUTOMATICALLY UPON CREATION

The way copyright protection is secured under the present law is frequently misunderstood. No publication or registration or other action in the copyright office is required to secure a copyright. There are, however, definite advantages in doing so since, in the case of a litigation, it is substantially easier to prove copyright if registration has taken place.

Under the present law, copyright is secured automatically when the work is created, and work is "created" when it is fixed in a copy for the first time.

REGISTRATION PROCEDURES

Registration procedures are simple. In general, to register a work three elements have to be sent to the Copyright Office in Washington, D.C. An application (proper form can be obtained from the Copyright Office), a \$10 fee, and a non-returnable deposit of the work to be copyrighted. For more specific information, including a copy of the law, write to: Register of Copyrights Copyright Office Library of Congress' Washington, D.C. 20559

U.S. POSTAL LAWS

In general, it is against the postal regulations to utilize the U.S. mail service to transport hazardous materials, pornographic materials and chain letters involving money. For more specific information, write to:

Consumer Advocate U.S. Postal Service 475 L'Enfant Plaza West, WW Wash-

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ington, D.C. 20260

You may also obtain a free copy of the Consumer's Resource Handbook. It is designed to help consumers resolve complaints about goods and services with local, federal and state agencies. Write to:

Consumer Information Center Department 532 Pueblo, Co 81009

Other free publications that may be of interest to you: "Selling by Mail" can be obtained from: Small Business Administration Washington, D.C. 20416-1110

"The Mail Order Rule" can be obtained from: Federal Trade Commission Publishing Office, #130 6th and Pennsylvania Avenue Washington, D.C. 20580-0001

A final thought: In the conduct of your business, let common sense and honesty be your guide.

HOW TO WRITE CLASSIFIED ADS THAT GET RESULTS NOW!

SELLING DIRECTLY FROM A CLASSIFIED AD

Classified ads can be used to sell products directly from the ad. This, however, only works for items costing no more than approximately \$5. The best use for classified ads is to utilize them in obtaining inquiries. This is called the two step approach. The first step is to get maximum inquiries from the classified ad, in the second step the promotional package is sent to the prospect and as many inquiries as possible are converted to buyers.

CLASSIFIED ADS FOR MAXIMUM INQUIRIES

Classified ads are substantially less expensive than small space ads, but by no means are they cheap. Most national publications catering to the mail order business charge from \$3 to \$8 per word. A well laid out ad should consist of about 20 words which includes the company name and address. It is important that you remind yourself that only the purpose is to get the prospect to take immediate action and write for more information.

Before you write the ad know exactly what it is you want to sell. You must know very specifically what you are going to accomplish through this ad. Once you have determined what you want to get across to the reader, write it out in one or more complete sentences. For example, you have the reproduction rights for several reports and want to market them. So the objective is: "I want to get the maximum number of responses to inquire about my self-publishing material which has excellent income potential and is easy to market, especially for a newcomer to the business."

This ad may read as follows:

TREMENDOUS PROFITS THROUGH SELF-PUBLISHING! Start part-time. Easy to do. Request free Special Report! XYZ Publishing/E, PO Box 1000, Frederick,

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MD 20908.

THE OPENING LINE

The first 3 or 4 words— are critical. Since there are hundreds of classified ads in any given publication you must be able to get the reader who scans all, or some of them, to stop in his tracks when he gets to your ad and read your ad and then take action.

Open any publication and review the ads and you will see that many of those ads have absolutely no purpose. They are a total waste of money. But that is good for you since I am sure you will make a real effort to get your message across. Here are a couple of examples of useless ads:

Still Looking For A New Beginning? Write.....

What do they mean by that? How does any of that pertain to me and what am I supposed to make of that? Here is another one:

The Easiest Business On Earth. Valuable information mailed free.....

Do you think many people are going to write in for an ad like that. Especially not since there are hundreds of other ads in competition for the readers' time.

THE OBJECT IS TO GET THE READER TO TAKE ACTION - NOW!

In less than 25 words you have to create a message that will make a reader stop; give him a reason - benefits to him - why this is for him; tell him what to do - action; and provide the vital information. It is as simple and as complicated as that. Simple because you know what you want to accomplish, but complicated because it has to be done with so few words. I think you can see why it is virtually impossible to sell a \$10 or \$20 item from a classified ad. You just would not have enough space to tell a story compelling enough to convince someone to part with \$10 or \$20.

SELF-CENTERED ADVERTISING COPY IS INEFFECTIVE

With some practice you should have no problem getting lots of inquiries from your ads. Stay away from "Self-centered advertising copy", copy that speaks about you. How great you or your company are, or how great your product is.

The only thing the reader cares about is himself. What's in it for Number One! Nothing else.

SOME COST SAVING TIPS

Almost all weekly and monthly publication will charge for each word including your company name and address. Most daily newspapers have a per line rate. Since just the address can take up from 6-10 words here are some ways you can save money.

The following ad has 23 words.

TREMENDOUS PROFITS THROUGH SELF-PUBLISHING Start part-time. Easy

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to do. XYZ Publishing Co. Dept 12 P.O. Box 1000 Frederick, MD 20908

This ad has 21 words.

TREMENDOUS PROFITS THROUGH SELF-PUBLISHING Start part-time. Easy to do. Free details. XYZ Publishing/E (The E becomes the code instead of Dept 12 PO Box 1000 Frederick, MD 20908

Or this one which has 18 words

SELF-PUBLISHING, TREMENDOUS PROFITS! Start part-time. Easy!

Some publications charge 2 words for the zip code and state, some only one. If you live in a city which consists of several words such as Palm Beach Gardens you are only charged for 1 word.

Evaluate the cost effectiveness of your ad by the cost per inquiry and not the cost of the ad. Example a \$150 ad generates 170 inquiries \$0.88 per word versus a \$28 ad which generates 15 inquiries at a cost of \$1.87 each.

WHEN THE INQUIRIES START ARRIVING

If you have written and placed an effective ad and the inquiries start rolling in, the most important job, or actually several jobs have to be done. They are as follows:

1. Your sales/promotional package must be ready before the first inquiry arrives and it must be answered promptly, preferably the same day but certainly within 48 hours. The longer you wait the more chances are that a competitor will win out over you. Although some people will wait for weeks before they make a decision, many will act within days.

2. The ad you are placing is just the beginning. The names which are generated from the ad must be used again and again in order for your total advertising effort to be effective in the long term.

3. A percentage of your inquiries from this first ad will become buyers. You need to send these buyers additional offers within several weeks after their first purchase and thereafter mail at least 3 times per year to them. You drop them from your list if they have not bought anything for about 8 - 12 months.

4. The inquiries that did not buy this time may still buy at a later time. You can send them the same material again, or a similar offer. It is advisable to send 2-3 more mailing to them.

Many mail order companies may only make a small profit or just break even when the actual sales results are measured against a single ad. But over the life of the customers which are converted from those inquiries and the subsequent purchases from the inquiries who were not converted from the initial ad many hundreds or thousands of additional dollars will be generated.

Wishing you success and many inquiries from your ads!

YOUR HOME BUSINESS: OUTFOXING THE COMPETITION

HOW TO SET UP AN IN-HOUSE ADVERTISING AGENCY

FUNCTION OF ADVERTISING AGENCIES

Most firms turn over the entire problem of advertising to advertising agencies. This practice generally costs the advertiser nothing because the agency receives a commission from the medium in which the advertisement appears. The medium returns to the agency 15 percent of the cost of space sold to the advertiser. With this return the agency can offer its clients other services in addition to placing advertisements, and still make a profit.

Agencies are often equipped to handle every phase of the Program. They may help with research, prepare the advertisements and select the media in which the ads are to be run, and they may also assist in other phases of marketing and even in product development. However, the primary duty of an advertising agency is to suggest the best media in the best combinations for the advertiser.

YOUR "IN-HOUSE ADVERTISING AGENCY"

Enclosed with this report is a starting supply of the "Ad Insertion Form" you will need to use in processing your advertising orders. Before proceeding further, please examine it carefully. It is mainstay, the primary piece of literature that will establish you as an Advertising Agency. You may wish to modify the form to suit your own needs.

An "In-House" agency simply means placing your ads yourself, instead of paying an outside agency the commission. You insert the ads, deduct the commission (usually 15%). However, **YOU MUST USE THE PROPER FORM**. An order placed under your ordinary business letterhead will not do. Also, it is a good idea to preface your masthead on your FORM with the words "Advertising Agency." For example, Smith's Advertising Agency instead of Smith & Company.

It is also recommended that you have a small quantity of business letterheads printed under your advertising agency designation. You will need these for your correspondence with publishers.

Many publishers stipulate on their rate cards "discount available to recognized agencies only." this is the reason you need the professional FORM - without it - most publications will not recognize you as an agency.

The three essentials in your operation of an "In-House" advertising agency - proper Form - advertising agency masthead - remittance with order.

Before placing ads, obtain current Rate Cards from the publications that interest you. A rate card will show - Display advertising rates. Classified advertising rates. Commissions and frequent discounts. Mechanical and production requirements. Insurance, closing and cancellation dates. Circulation information. Specifications for advertisements. Miscellaneous.

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SOME THINGS YOU SHOULD KNOW

Advertisers and advertising agencies assume liability for all content of advertisements including text, representation and illustrations and also assume full liability for any claims against the publisher arising therefrom. Publishers will not assume responsibility for errors in key number and no allowances or deductions are given should such errors occur;;; or any error due to illegibly written copy. Publishers will not guarantee proofs for correction if copy is not received by closing dates. Cash with order unless credit has been established.

Most publishers reserve the right to revise all copy to conform with their standard or to decline advertisements which request any advertiser to submit his literature and/or merchandise before accepting an ad. Advertisers using a post office box number must furnish a complete name and address for recordkeeping.

Generally, rates are subject to change without notice except on contracts which have been accepted and acknowledged by the publisher. Proofs are not submitted on classified ads but correct insertion of your advertisement will, in most cases, be guaranteed.

Original art must be mounted and camera ready. If two or more colors are to be used, they should be attached to black art on an overlay with register markings denoting trim, bleeds, etc.

Advertisements which stimulate editorial content must be clearly defined and labeled "Advertisement."

California law requires all mail order advertising for companies in that state to carry a legal address.

WHERE TO FIND PUBLICATION ADDRESSES ALONG WITH ADVERTISING RATES AND REQUIREMENTS

These are the books professional advertising agencies depend on-in locating publication addresses along with advertising rates and requirements. Because these references are all rather large and expensive (over \$100.00 each retail), it is suggested you inquire at your local library for copies. While they cannot be taken out, many libraries today provide a reprographic machine that can quickly copy pages you need from the books. Ask about it.

"BUSINESS PUBLICATIONS RATES & DATA" - Over 4,00 business, trade and technical publications, contains editorial profiles, rates, mechanical requirements, copy regulations, circulation, personnel, issue and closing dates.

"CONSUMER MAGAZINE & FARM PUBLICATION RATES & DATA" - More than 1,500 consumer and 200 farm publishers. Includes editorial profiles, ad rates, mechanical requirements, copy regulations, circulation, personnel, issue and closing dates.

"NEWSPAPER RATES & DATA" 1,600, U.S. daily newspapers, newspaper groups, supplements and comic section. Includes ad rates, special features con-

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tract and copy regulations, mechanical requirements and latest circulation figures.

"CO-OP SOURCE DIRECTORY" - Over 2,800 co-op advertising programs. Each includes eligible media, timing, accrual, participation, ad specifications, media requirements, aids available from manufacturers, reimbursement method and more.

"COMMUNITY PUBLICATION RATES & DATA" - All NAAP members, plus other weekly newspapers and shopping guides. Includes personnel, ad rates, closing time, circulation and mechanical requirements.

All these books are published by - Standard Rate and Data Service, Inc., 5201 Old Orchard Road, Skokie, IL 60077. They will be glad to send you descriptive literature and price lists under your letterhead request.

"CATHOLIC PRESS DIRECTORY" - A wide variety of American Catholic magazines with a total circulation of over 30 million. Your client's product or service advertising programs can find a highly responsive audience among American Catholic magazine readers. It's available from Catholic Press Association, Suite 401, 119 North Park Avenue, Rockville Centre, NY 11570.

AS LONG AS YOU HAVE AN "IN-HOUSE" AGENCY" WHY NOT PLACE ADVERTISEMENTS FOR OTHERS AND POCKET THE COMMISSION?

There's a lot of money to be made through placing small ads for small mail order firms- and it's the perfect repeat business. The one thing all have in common is that they must renew advertising to stay in business. The requirements are simple and initial investment is minimal. It's strictly a service business - no stock to carry, low overhead.

For a good idea of how to go about setting up your operation, write to the below small mail order Advertising Agencies, and request copies of their Advertising Guide Books. These you can use for reference in preparing your own ad rates brochure.

Chicago Advertising Agency Columbia Advertising Agency 28 E Jackson Blvd. P.O. Box 1285 Chicago, IL 60604 Richmond, IN 47375

National Mail Order Classified Morlock Advertising Agency Post Office Box 5 188 W Randolph St. Sarasota, FL 33578 Chicago, IL 60601

HOW TO MEASURE PROGRESS

The growth of an advertising agency business can be measured in various ways but the most important item that concerns you is the growth in capital. How much more is the business worth today than it was a year ago or when you first started it? The capital section of the balance sheet will show precisely that. It will help you decide whether the work and worry connected with the business have been worthwhile. It will let you know whether the business is stagnant or is declining. It will disclose the soundness of your financial position. Especially in a

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small business there is always a danger of “eating into” capital. If you take out of the business from month to month whatever money is considered necessary as operating expenses, you do not know at any time whether you really have earned that money. A comparison of capital figures in the balance sheet over a period of months will show up any tendency to dissipate the agency’s capital.

The total of assets is also an indication of what progress you have been making. It represents the total amount of resources under your control and even though they are partly offset by liabilities they are still a pretty good measure of your economic power. For this reason, the size of banks, for instance, is usually measured in terms of their total resources, that is, their assets, rather than their capital alone.

FOUR BASIC STEPS FOR EFFECTIVE ADVERTISING

1. **THE WORDING OF YOUR AD** is the most important single factor. It’s what you say that determines whether your ads work or not. It pays to give a great deal of time, thought and research to the actual wording of the ad. Should the ad have a lot of wording in it, or should it be extremely short? The decision as to the type of wording is the key to more sales. Headlines must have dynamic stopping power. The headlines has to get the reader to look at your ad. Sub-headlines are also important, especially where copy is long. Not only must your headlines have powerful appeals, but the body text should have punch to maintain interest and induce prompt action.

2. **SELECT THE RIGHT PUBLICATION** or publications to run your ads. The publication in which you run your ad is the market place. When your ads appear in the right publication, you protect your advertising investment. Find out whether mass, class, service or other types of publications are best for your proposition. Should you use large circulation publications or small circulation ones? Should they be aimed at consumer, dealer or particular trade, or a combination of all? Decide whether you will use newspapers, magazines, or trade papers. Where you run your ad is many times the answer to results.

3. **BUDGET YOUR ADVERTISING BY MONTH.** By deciding how much money you will spend each month for advertising, you make sure that you do no spend too little or too much in proportion to the sales desired and the potential sales obtainable. The correct budget for advertising has a bearing on your profits. It is always wise to divide your budget for advertising according to the periods of the year.

4. **DEVELOP A PLAN OF REPEAT BUSINESS** from either inquiries or orders received. It is important to get new customers as cheaply as possible and then build them up. Know where you’re going and what your sales objectives are. Think out the plan behind the advertising. Decide what a new customer should cost you and how to develop that customer into one who will buy from you again and again.

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LEGAL ASPECTS

Effective advertising must be based on a sound product. Misrepresentation may sell goods, but it also builds ill will. Since the advertiser who misrepresents his product harms not only the public but the whole industry as well, organized efforts have been made to prevent objectionable advertising. One of these was the model statute against fraud in advertising drafted in 1911 by the magazine Printer's Ink. The statute has since been enacted by 48 states, in either the original or a modified form,, and covers 98 percent of the population of the United States.

Further government control over advertising was achieved by the Federal Trade Commission Act (1914), as amended by the Wheeler-Lea and other acts. These gave the Federal Trade Commission, among others (e.g., the Postal Service), the power to prosecute for unfair methods of competition and unfair or deceptive acts and practices, including false advertising.

Another protection for the consumer is the Audit Bureau of Circulations; its function is to determine the net paid circulation of newspapers and magazines. Practically all major magazines and newspapers which accept advertising submit audited accounts to the A.B.C.

How To Write Classified Ads That Get Results Now!

SELLING DIRECTLY FROM A CLASSIFIED AD

Classified ads can be used to sell products directly from the ad. This, however, only works for items costing no more than approximately \$5. The best use for classified ads is to utilize them in obtaining inquiries. This is called the two step approach. The first step is to get maximum inquiries from the classified ad, in the second step the promotional package is sent to the prospect and as many inquiries as possible are converted to buyers.

CLASSIFIED ADS FOR MAXIMUM INQUIRIES

Classified ads are substantially less expensive than small space ads, but by no means are they cheap. Most national publications catering to the mail order business charge from \$3 to \$8 per word. A well laid out ad should consist of about 20 words which includes the company name and address. It is important that you remind yourself that only the purpose is to get the prospect to take immediate action and write for more information.

Before you write the ad know exactly what it is you want to sell. You must know very specifically what you are going to accomplish through this ad. Once you have determined what you want to get across to the reader, write it out in one or more complete sentences. For example, you have the reproduction rights for several reports and want to market them. So the objective is: "I want to get the maximum number of responses to inquire about my self-publishing material which has excellent income potential and is easy to market, especially for a newcomer

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to the business.”

This ad may read as follows:

TREMENDOUS PROFITS THROUGH SELF-PUBLISHING! Start part-time. Easy to do. Request free Special Report! XYZ Publishing/E, PO Box 1000, Frederick, MD 20908.

THE OPENING LINE

The first 3 or 4 words— are critical. Since there are hundreds of classified ads in any given publication you must be able to get the reader who scans all, or some of them, to stop in his tracks when he gets to your ad and read your ad and then take action.

Open any publication and review the ads and you will see that many of those ads have absolutely no purpose. They are a total waste of money. But that is good for you since I am sure you will make a real effort to get your message across. Here are a couple of examples of useless ads:

Still Looking For A New Beginning? Write.....

What do they mean by that? How does any of that pertain to me and what am I supposed to make of that? Here is another one:

The Easiest Business On Earth. Valuable information mailed free.....

Do you think many people are going to write in for an ad like that. Especially not since there are hundreds of other ads in competition for the readers' time.

THE OBJECT IS TO GET THE READER TO TAKE ACTION - NOW!

In less than 25 words you have to create a message that will make a reader stop; give him a reason - benefits to him - why this is for him; tell him what to do - action; and provide the vital information. It is as simple and as complicated as that. Simple because you know what you want to accomplish, but complicated because it has to be done with so few words. I think you can see why it is virtually impossible to sell a \$10 or \$20 item from a classified ad. You just would not have enough space to tell a story compelling enough to convince someone to part with \$10 or \$20.

SELF-CENTERED ADVERTISING COPY IS INEFFECTIVE

With some practice you should have no problem getting lots of inquiries from your ads. Stay away from “Self-centered advertising copy”, copy that speaks about you. How great you or your company are, or how great your product is.

The only thing the reader cares about is himself. What's in it for Number One! Nothing else.

SOME COST SAVING TIPS

Almost all weekly and monthly publication will charge for each word including your company name and address. Most daily newspapers have a per line

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rate. Since just the address can take up from 6-10 words here are some ways you can save money.

The following ad has 23 words.

TREMENDOUS PROFITS THROUGH SELF-PUBLISHING Start part-time. Easy to do. XYZ Publishing Co. Dept 12 P.O. Box 1000 Frederick, MD 20908

This ad has 21 words.

TREMENDOUS PROFITS THROUGH SELF-PUBLISHING Start part-time. Easy to do. Free details. XYZ Publishing/E (The E becomes the code instead of Dept 12 PO Box 1000 Frederick, MD 20908

Or this one which has 18 words

SELF-PUBLISHING, TREMENDOUS PROFITS! Start part-time. Easy! Free report. XYZ Publishing/E PO Box 1000 Frederick, MD 20908

Some publications charge 2 words for the zip code and state, some only one. If you live in a city which consists of several words such as Palm Beach Gardens you are only charged for 1 word.

Evaluate the cost effectiveness of your ad by the cost per inquiry and not the cost of the ad. Example a \$150 ad generates 170 inquiries \$0.88 per word versus a \$28 ad which generates 15 inquiries at a cost of \$1.87 each.

WHEN THE INQUIRIES START ARRIVING

If you have written and placed an effective ad and the inquiries start rolling in, the most important job, or actually several jobs have to be done. They are as follows:

1. Your sales/promotional package must be ready before the first inquiry arrives and it must be answered promptly, preferably the same day but certainly within 48 hours. The longer you wait the more chances are that a competitor will win out over you. Although some people will wait for weeks before they make a decision, many will act within days.

2. The ad you are placing is just the beginning. The names which are generated from the ad must be used again and again in order for your total advertising effort to be effective in the long term.

3. A percentage of your inquiries from this first ad will become buyers. You need to send these buyers additional offers within several weeks after their first purchase and thereafter mail at least 3 times per year to them. You drop them from your list if they have not bought anything for about 8 - 12 months.

4. The inquiries that did not buy this time may still buy at a later time. You can send them the same material again, or a similar offer. It is advisable to send 2-3 more mailing to them.

Many mail order companies may only make a small profit or just break even when the actual sales results are measured against a single ad. But over the life of

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the customers which are converted from those inquiries and the subsequent purchases from the inquiries who were not converted from the initial ad many hundreds or thousands of additional dollars will be generated.

Wishing you success and many inquiries from your ads!

The Beginner's Mail Order Business Guide

Note: This report is intended to relate personal experiences of a mail order operator in order to make helpful suggestions to individuals who are new to the field. No claim is made that the steps outlined would be successful for someone else. Each individual should obtain such professional advice as may be necessary for his particular operation.

INTRODUCTION

The following is designed to provide a check list for new entrants into the mail order field. Each mail order business is different, but there are common elements that apply to most mail order businesses, as well as some specific characteristics that may vary from business to business. The following suggestions were developed to assist you in avoiding mistakes which can be costly. Apply the various points as they may relate to your specific business.

COMPANY NAME

* Select a short, easily remembered name. * Unless you are using your own name, it is required in most jurisdictions that a trade name is either registered with the county or the state. * Before you spend money for printing material, make sure that the name you choose is not already registered to another company. You can usually conduct a name search with an office of the appropriate jurisdiction by telephone. * You may consider using a name that describes your product.

COMPANY ADDRESS

* Most newly established mail order businesses will operate out of their home until the volume of the business requires larger space. * Most mail order businesses prefer not to use their home address as their company address. If you do, you will advertise your home address in regional and national publications. You have two other choices, a Post Office Box (POB) or a postal box located in a commercial enterprise which rents out mail boxes. * A POB is generally the least expensive, both to rent and for advertising purposes. (See below) Some mail order operators claim that it reduces business because people do not trust a POB address. Yet there are just as many mail order operators who prove them wrong. the decision is yours. * If you rent a mail box in a commercial enterprise, (many have sprung up in recent years), your box number usually becomes a suite number in the address. * Almost all publications will charge you a full word charge for each component of your address, except the Zip Code and State which is counted as one word, Example: Information Books, 300 Main Street, Suite 611, Centerville,

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Md 20910 Or: Information Books, Box 1000, Centerville, Md 20910.

* The first address is counted as 9 words, the second one as 6 words. Since advertising costs anywhere from 50 cents to \$10.00 per word (classified advertising) you could save a substantial amount of money at the end of the year.

TELEPHONE

* Some mail order companies do not show their phone numbers on their stationery, others do. I believe it gives the customer some comfort to see a telephone number, although he may never use it. * You can show your residence phone number in the appropriate printed material, or you can obtain a business listing for your home. * The residence phone is fine, for starters, if it is answered in a professional manner at all times. * If you plan to sell higher priced ticket items, however, (over \$15.00) a business listing would be advantageous since a prospective customer may pick up the phone and check with the information operator whether "Company X" is listed.

BASIC SUPPLIES

* Be conservative and frugal in your acquisition of items that you feel are needed. It's always wise to start small, and as inexpensively as possible, and as you build profits, you can buy more and better items. * The basics are a good quality typewriter, (you can rent one for starters for a few months). Business stationery, business envelopes (#10's), and return envelopes, either #6 or #9 is fine. All items should have your business name and address imprinted on them. * You will also need some mailing labels and some miscellaneous office supplies.

PRODUCT

* If possible, choose a product or products that people need on an ongoing basis. * Be sure the product is of acceptable quality. Know the product before you sell it. * If feasible, choose an item that is not widely available from retailers. * If you have a difficult time deciding what items or products to select, I suggest you read the following book: "How Mail Order fortunes are Made" by Alfred Stern. This book lists hundreds of different items. It will give you many good ideas. * Develop a line of merchandise. It is rarely possible to make money with just one or two items. The availability of a line of related products is paramount to mail order success. * The more specialized your products are, the easier your marketing becomes. * If you are selling books, for example, it would be impossible, except for a very large company, to sell all types of books. You may decide to specialize in books pertaining to sports, and may want to go even further by zeroing in on football or baseball.

SUPPLIERS

* Your suppliers should provide you with reliable, quality, and reasonable pricing. * Since you probably should provide some type of a money back guarantee (30 days is standard) you should expect the same guarantee from your suppliers.

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ers. * When buying from out of town suppliers, be sure to include the shipping charge in comparing prices to local suppliers.

DROP-SHIPMENTS

* Under a drop-ship agreement which is available from many suppliers for a variety of products, the supplier ships your customers' orders directly under your shipping label. (Suggested reading: "American-Drop-Shippers Directory".)

* It is customary that the supplier guarantees not to include any of his promotional materials with the shipment; or to use your customer's name for any future mailings. * Drop-shipping arrangements are suitable for people getting started. It allows you not to have to carry a costly inventory. * As your business increases and you develop a sense of what sells well, you can stock limited supplies of certain fast selling items, and continue utilizing drop-shipments for slower products. Eventually, as your business flourishes, you can carry an inventory of everything you sell. * Handling your own shipments is advantageous for the following reasons: It cuts down your shipping expenses, it decreases the shipping time, and it allows you to include promotional material directly with the shipment. * When you do utilize drop-shipments, be sure to send your customer a note that his order is being processed and he can expect it by, or around a certain date. * It is unnecessary to make your customer aware of the fact that the item is being drop-shipped. Include some promotional material with your letter or note.

PRICING

* Buy at a price that allows you an adequate mark-up. In setting your prices, allow for all costs: * Cost of product, shipping cost and postage, bank charges including credit card charges, wrapping, bad debts, rejects, refunds, etc. In addition, the other normal overhead costs need to be considered,. Lastly, there is the substantial marketing cost for advertising, and for printing of promotional items. (See following paragraphs) * Your prices of course, have to be fair and in line with your competition. * It is not necessary that you make a big profit on each and every item. the real profit in mail order comes from follow-up orders. * **THE 3 BIGGEST EXPENSE CATEGORIES IN MAIL ORDER ARE: ADVERTISING, PRINTING COST, AND POSTAGE.** Over 80% of your total expenses are in this area. Watch these expenses very carefully.

ADVERTISING EXPENSE

* Start with classified ads. As you test them and know what is successful, you can switch to display ads. * To test an offering and a specific ad, run it once in a specific publication and you should get a reading that could be very positive or very negative. It might also be inconclusive. If that is the case, simply run it again. * It is best to test an ad by running it in different publications. * Advertise in publications that advertise similar products. * If you have a sure seller, buy larger space. * Special interest products should be advertised in special interest publi-

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cations. * Keep on changing the ad and offering until you are satisfied it is right. * Examples of changes you can make are: size of ad, copy, appeal, special gimmicks such as discounts, free gifts or reports, etc. * Remember that a given ad can be 20 or 30 times more successful than another ad advertising the same product. it pays, therefore, to continue testing until it is just right. * Repeat a successful ad until you no longer get a satisfactory return. * The conventional advertising cost is 15% of sales or more in mail order. * To evaluate your advertising cost, think in terms of cost per inquiry. this is calculated by dividing the number of inquiries into the cost of the ad. that cost may vary from about \$0.80 to \$2.00 or more. * Be careful when you allocate advertising funds to small mail order publications. The ad may appear to be very inexpensive. However, a \$15.00 ad that gets no response is a lot more expensive than a \$150.00 ad that gets over 100 inquiries. * Stay away from those publications that have no news or editorial content, and also those that have poor printing quality. * There are a number of quality mail order publications, but it takes time to find the right publication for your product. (See American-Drop-Shippers Directory.)

ADVERTISING COPY

* Write tight copy. * Write as you speak. You are generally appealing to a mass market. * Prepare your copy carefully. It must fit your specific medium. * The emphasis should be on YOU rather than I, the company. * Be sincere and don't make unreasonable claims, but remember that you are selling. * Try to convince the reader that you are reliable and trustworthy. * Give simple specific instruction. * Key all ads to test their effectiveness. * Check and double check, and have someone else check your ad to make sure everything is correct and easy to understand. * Watch where your competitors are advertising. * Experiment with new publications. * It is generally considered impossible to sell something that costs more than \$2.00 - \$3.00 direct from either a classified ad or a small display ad. This is because there just is not enough space to convince someone to part with \$10.00 or \$20.00, for example. It takes a full page ad to do that. * If you use an agency, use one that specializes in mail order, even if it is located out of town.

RESPONDING TO INQUIRIES

* Each inquiry you receive in response to an ad should be answered via First Class, if at all possible, within 24 hours. * The contents of the envelope going to the prospective customer should contain: a circular, promotional flier, or mini-brochure, a sales letter, an order form (the order form can be part of the circular), a return envelope, and other appropriate information, such as a fact sheet, a free report, etc. * In general, circulars should be limited to one 8 1/2 x 11 page. * A sales letter, on the other hand, can be as long as it takes to say everything you need to say to a prospective customer in order to sell him the product. * Sales letters should have an attention getting opening. The idea of the opening is to get

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him to read the rest of the letter.

POSTAGE AND SHIPPING COST

* Answer inquiries to your advertising immediately and via First Class Mail. Use Bulk Mail for future mailings. * You can save a great deal of money by getting a Bulk Mail permit. The minimum number of pieces per mailing is 200. Mail must be zip sorted. Postage is 16.7 cents for up to 3.3 oz. Get more specific information from your Post Office. * Keep your mailing lists clean - updated. * Utilize all of the various mail classes, such as Printed Mail and Book rate. * Compare costs of shippers other than the Post Office. * Guarantee return postage. * Watch your shipping weight. A fraction of an ounce can make a big difference in a large mailing.

PRINTING COST

* Very large printers will not be interested in your business. Very small ones, quick printers and instant printers although convenient, are generally too expensive. Their equipment is not large enough to be competitive. * There are many medium sized printers that will give you good pricing and quality printing. Often they have the capability to help you with layout and design. * Don't hesitate to use out of town printers. If you live in a high cost-of-living area, you can probably save a substantial amount of money. Many of these printers advertise in mail order publications. * Utilize the promotional material available from your supplier. * Until you know what sells, print small quantities, even if it is more expensive. * Use colored paper for your promotional flyers to spice up your offer. Use white paper, blue or black ink for everything else.

CUSTOMER PAYMENTS, REFUNDS AND COMPLAINTS

* Accept cash, money orders and checks. * Some mail order companies state in their material that they will not ship for 10 days to 2 weeks when payment is made with an out of town check. This may be an unwise practice because, it can create ill feelings with your customers. NSF checks are rare. * An increasing number of mail order companies accept credit cards - Visa and MasterCard - for payment. It is generally felt that it does increase sales. * If you cannot obtain a credit card merchant agreement with your bank work through a credit card clearing house. A number of these companies advertise in mail order publications. Since these companies generally charge between 6-9%, it may be wise to set a minimum amount such as \$15.00 for credit card orders. * Remember, "the customer" is always right. An argument won, is usually a customer lost. * If you receive an order with an underpayment, ship the order and bill the customer for the difference. * Make refunds on overpayments quickly. * Most mail order companies offer a 30 day money back guarantee. Some offer 90 days and even more. * It is unwise to offer money back guarantees on items priced very inexpensively, for example, a \$3.00 report.

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RECORD KEEPING

* As in any business, it is important to keep records. * You need records to tell you what is going on in your business; to evaluate both your revenues and your expenses. * It is also required by law that you keep certain records. * Keep especially good records of your advertising expenses so you can evaluate your advertising on an ongoing basis.

MAILING LISTS

* It is recommended that you do no direct mailings, except to your own list of customers and inquirers, until you have thoroughly tested a specific product through advertising. * Stay away from inexpensive mailing lists, under \$40.00 - \$50.00 per 1000. * Avoid mailing lists whose owners make unrealistic claims. * Work with a list broker who wants to see your product before he will rent you a list. Lists are rented for one time use. * Lists from professional list brokers rent from \$60.00 and up, per thousand names. * The general consensus is that you need to mail a minimum of 1000 names to get a fair reading. 5000 names would give you a more accurate test. * Buyer' names are better than names of inquiries. * The best mailing list is your own list of buyers. Second best is your own list of inquirers.

FOLLOW UP

* The most important factor in mail order is FOLLOW-UP Substantial profits can be generated from this segment, if it is properly handled. * You can generate a lot of sales by including promotional material when filling orders for customers. Other orders are generated from mailings that are made to former customers, as well as individuals who inquired about an offer in the past. * Send out regular mailings to your customers. At a minimum, four times per year. However, you can send out mailings as often as every 6 weeks or so, if you have a new product to offer. * As you build your mailing lists and you send out regular mailings, your orders will start flowing in.

RESEARCH AND EDUCATION

* Whether you are new to this field or not, to stay on top, you must continue your education by reading books and reports on mail order and subscribing to mail order publication. * Always be on the lookout for new products you can offer your customers. * Study the advertising of your competitors. Request their material and study it. * Study all mailings you receive. * disregard the MLM schemes that you receive, chain letters, recipe clubs, etc. they are all the same, a big waste of money. Many of them are illegal. * If you are new to mail order, study the attached information on various publications. Depending on your knowledge of the field, one or several of the books shown may be very useful and can help you to be more successful.

Continue to learn about mail order by reading, experimenting, and talking

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with other mail order operators. Have patience. Success will not come overnight. It takes time to build a successful business. Start slowly and expand your business from your profits.

Good Luck!

Postal Savings Guide

Any legitimate article of commerce may be sold through the U.S. mails upon truthful and honest representation - and the Post Office welcomes every legal enterprise to the use of the mails.

The purpose of this report is to provide you with practical information on more economical and efficient handling of your mail. With postage costs at an all time high, we believe you will find these suggestions on how to get more for your postage dollar especially helpful. Today, it is more important than ever to establish good mailing practices, practices that will make a profitable difference in your postage handling, and speed up your mail.

A WORKING KNOWLEDGE OF POSTAL LAWS AND REGULATIONS - By the very nature of the business, mail merchandising implies integrity. If a customer has to pay for something before having a chance to examine the article, his confidence is not to be abused. Selling by mail must be kept on a high plane of the dealer is to survive and prosper.

Lotteries, chain letters and schemes to injure or defraud are denied the mail privilege.. Nonmailable materials also include items not regarded as conducive to the public welfare, such as pornography. Excluded, too are materials (as inflammable liquids and chemicals) which could damage the mails or cause injury to postal employees.

Every one who is using the mails to conduct business should become familiar with the postal retirements which apply to his particular enterprise. It is not, however, necessary or advisable for the beginner or small operator to attempt learning in detail all the ramifications of all the Postal Laws and Regulations. To the mail minded person, dealing with the post office is not anything new or strange. As a mail user in the past, whenever you came across something on which you desired information, you simply inquired at the post office. As a small mail order dealer you will be doing the same thing.., and there will not be a great range of questions that will concern you. If you are in doubt about anything relating to your situation,, inquire as to how the matter should be handled. The Post Office will answer all your questions.

PENALTIES FOR USING THE MAILS TO DEFRAUD - A customer should make a formal complaint in the case of misrepresentations and possible fraud with the Office of the Regional Chief Postal Inspector. There are 5 regions. The local Post Office will advise what region is responsible got a given area of the country.

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If complaints from different parties have been received, the postal, inspector can ascertain that the seller is at fault. However, the Post Office will give a mail order business the benefit of the doubt and the business is afforded the chance of settling complaints fairly with customers.

Where the intention is clearly to defraud, the case is followed through with a fraud order to be issued by the office of the Postmaster General. Letters are then returned to the senders, marked across the face of the envelope "Fraudulent".. It is not the intent of the POst Office, however, for its inspectors to act as censors on transactions or adjusters of arguments.

In flagrant cases of fraud,, in addition to loss of mail use, a fine or imprisonment, or both, may be imposed. However, any honest individual who operates a mail-order enterprise as a business and not as racket need have no fear.

NEED FOR FAMILIARITY WITH CLASSES AND RATES OF MAIL - Since mailing costs are responsible for a major operating expense — approximately one fourth of the total expenses of a small mail order business — the mail-order business has to be able to figure how to get top efficiency for this major expense category.

A mail order business may, for example, save a great deal in the course of a year by knowing how pieces of sales literature can best be mailed and what the weight limitations are for specific postage charges. Among small dealers especially, there is much postage waste by failure to take into account minor details which in the aggregate run to respectable sums. Suppose, as an illustration, a booklet or catalog ready to mail just barely exceeds the limit for one rate and calls for more postage. A minor adjustment in the place can decrease the postage from, for example 65 cents to 45 cents. A thousand pieces mailed per month makes a difference of \$200 Dollars in lost profit.

Third-class mail, (also called bulk mail), may be used by anyone, but it is used most often by larger mailers. Basic requirement to mail by bulk mail are that the mailer obtains the proper permit,, minimum number of pieces must be 200 per mailing and all pieces are sorted by zip code. At this time the rate for Basic Bulk Mail is 0.16.7 for the first 3.37oz. Thereafter a combination of pound and pieces rate are applied. Almost all mail order companies use bulk mail when a given piece exceeds 45 cents for first class postage. The savings are substantial. The big disadvantage is the time it takes for delivery. This can vary greatly by region and time of the year. As a rule of thumb mail within a 500 mile range may take from 1 to 2 weeks, 500 to 1500 miles 10 to 20 days and over 1500 miles from 2-4 weeks. Your local Post Office will give you all necessary bulk mail information and the proper application.

The Post Office issues a number of informative brochures which are free and give information on key postal matters. For a list of currently available publi-

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cations write to:

Consumer Advocate U.S. Postal Service 475 L'Enfant Plaza West, N.W. Washington, DC 20260

Since many prospective small mail dealers are interested in the merchandising of books, it is important for them to know that books can be mailed by preferential rate not enjoyed by any other commodity. To take advantage of the reduced rates,, packages must be plainly marked "Special Fourth Class Rate", Current special Fourth Class Rate are 90 cents for the first pound and, 30 cents for each additional pound.

KEEP YOUR BUSINESS ABOVE REPROACH - Considering the number of people using the mails and the tremendous volume of business transacted by mail, the Post Office levies relatively few penalties. However, no business of any size can be carried on without some complaints. A policy of "Money Back Guarantee" or "Satisfaction Guaranteed" goes a long way in convincing the Post Office as well as your customers that you are a trustworthy business.

PACKAGING AND ADDRESSING PARCELS AND PACKAGES - Proper packaging and addressing of packages is the best way to prevent damage and loss. Use a container strong enough to protect contents during handling.. Cushion the contents if necessary to make sure they do not move within the container and affix the address information securely. Plastic packaging tape is recommended for closing and reinforcing the flaps and seams... Avoid using wrapping paper. The use of string could cause damage in processing. The address must be typed or legibly written one side only.. Use an address that's designed for efficient post office handling including proper zip code information - with the recipients address more prominent than your own.

USE STANDARD SIZE ENVELOPES - Save time and money. For best results envelopes should be at least a few inches longer than the longest insert plus the combined total thickness of the inserts. When the inserts are thick and bulky, extra allowances should be made.

WATCH YOUR WEIGHT - A truly accurate mailing scale is a must for any mailer - large or small. Otherwise, you run the risk of underpayment of postage - and the irritation of mail being returned because of "postage Due". And of course, overpayment of postage can cost you a great deal of money over a period of time, so it is indeed important to have an accurate postage scale.

POSTAGE METER - If you send out much mail from your place of business, it might be practical to consider the convenience of metered mail. Some advantages are - Save trips to the post office. Eliminate the need for keeping loose stamps.. Stamp, seal and postmark quickly. Avoid loss of stamps. Print "meter ads" simultaneously with the meter stamps. Accurate postage affixing.

Postage meter equipment generally consists of two parts, an office mailing

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machine and a detachable postage meter, the later licensed for use by the United States Postal Service. Since postage meters print U.S. postage and account for government revenue under official lock and seal, they cannot be sold outright, as are mailing machines, but are leased from an authorized manufacturer who is held responsible to the U.S. Postal Service for their proper operation and replacement when necessary.

KEEP YOUR MAILING LIST CURRENT - Only a "live" list can produce good results - and many nixies on a list can be very costly. So be sure to keep your list constantly up to date. One way to keep your list clean is to print. "Address Correction Requested" on outgoing envelopes. The POst Office notes the reason for non-delivery, or the new address if known. The fee for address correction service is 30 cents per notice issued, for both Second and Third class mail. Undeliverable first class mail is returned free of charge.

SPECIAL HANDLING -Special handling service is available for Third and Fourth class mail only, including insured and certified mail... It provides for preferential handling in dispatch and transport, but does not provide faster delivery.

PRIORITY MAIL - First class and priority mail are one and the same... When first class mail exceeds 11 ounces it becomes priority mail.

WHAT TO DO WHEN YOU HAVE A POSTAL PROBLEM - When you have a problem with your mail service it is best to talk to one of the clerks at the Post Office. If necessary the clerk will refer you to someone else. It is best not to complain to management or file an official complaint at your own Post Office. Be nice with the clerks and try to get known them. They are important partners in your mail order business.

Getting Started In The Mail Order Business

How Much Does It Really Cost?

INTRODUCTION

This report was written as a service to those individuals who are considering to get started in the mail order business. To get any business started successfully takes many ingredients. However all requirements, more or less, fall into one of the following four key categories: 1. Desire, 2. Knowledge, 3. Time, and 4. Available funds

This report deals only with the financial requirements of starting a mail order business. Hopefully it will help the reader to evaluate whether he is financially able to embark upon a business venture that will bring about success. It is generally true that it takes substantially less money to get started in many mail order businesses than in a variety of other businesses.

Many a promoter will want you to believe that it is possible to get started successfully for \$50, \$100, or even \$200. However, it is totally false. It does take

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more than that. How much more depends on many factors which I will try to define as much as is possible here.

Since the mail order business covers a vast number of services and products I would like to define the contents of this report to deal with the selling of information products. This is where my expertise lies. While the same or similar conditions may apply to any number of other mail order businesses, there may however be some differences to selling information products such as books, etc.

The following makes a number of assumptions. The most important ones are:

1. The operator (or operators) of the new mail order business is employed or has other means of income.. He will not need to derive any profit from his new business for a period of time.. How long will depend on many factors.

2. This is a home based business which has no employees.

3. The business, at the start - until volume reaches \$3,000 to \$5,000 per month - will utilize the drop shipping services of a wholesale company.

4. Basic office equipment such as desk, file cabinet, typewriter or computer, etc... are on hand.

A WORD OF CAUTION AT THE START AND RESOURCE AVAILABLE TO YOU

This is an exciting business and it can be extremely profitable once it reaches a certain momentum. However, like almost all businesses it is a very cost sensitive business. For a detailed analysis of the key mail order expenses and their impact on your business refer to my special report:

As you are getting started in planning and setting up your new business which in my experience is one of the most enjoyable and satisfying experiences of a lifetime think and act with caution when it pertains to any expenditures. This is one of the most difficult things to do since you are probably very enthusiastic and want to do everything today. So you need to learn **HOW TO CONTROL YOUR ENTHUSIASM** or it is going to cost you a lot of extra money.

In this state of enthusiasm we tend to think that there is nothing we can do wrong and since we will be making lots of money in a few months let's get all necessary and often unnecessary supplies and equipment.. It would be much better to wait until profits of the business make it possible to acquire what is needed. In the meantime you can make do with less. To be able to do so is a most important quality for the owner of a small business.

If you are a parent think of your new business as a child. There will be a never ending sequence of surprises. And as the business grows so will its demands, and yes its expenses.

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START-UP EXPENSES — INITIAL STAGE

The below listed expenses will be incurred in the very early stages of setting up your business. This is at a time when you probably are not sure as yet what you will be selling.. You will be writing to different companies for information to come up with the right product selection. Once you have decided what it is you will be selling you have to line up reliable suppliers, This is also a good time to buy a few books t help you with your mail order education. Although most expenses incurred in this phase are relatively small they will add up quickly.

Stationery and envelopes.....	50.00
P.O. Box rental.....	60.00 per year
Miscellaneous office supplies.....	30.00
Postage.....	50.00
Educational.....	45.00
TOTAL.....	235.00

START-UP EXPENSES — SECONDARY STAGE

You have now reached the point at which you have decided upon one or more reliable suppliers for the product you wish to market.. You may also be ready to have some promotional material printed. In addition you may be placing one or two classified ads for testing purposes.

Dealership or distributorship (1 or more).....	80.00
Small supply of brochures or catalogs.....	50.00
Printing of sales ltr,order form,Return env,etc.....	90.00
1 test ad, classified (national magazine).....	100.00
Business or traders license.....	30.00
Postage.....	25.00
TOTAL.....	375.00

Until now you have only had expenses for your new business. You have not derived any revenue yet. In the next and final stage of starting your business you may have some revenues. Stage one and two may take from approximately 3 to 6 months.

START-UP EXPENSES — THIRD STAGE

You have now reached a stage were you will expand your advertising, or alternately you may go the direct marketing route and rent a mailing list. The comparison of expenses and revenue results of a direct marketing effort versus classified advertising need to be carefully evaluated.

This report compares the actual expenses of a specific mailing against an advertising effort.

Since expenses for a direct marketing effort are generally higher than for a

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small advertising campaign, the below listed expenses focus on an advertising campaign

Advertising — 3 classified ads.....	280.00
Postage for inquiries derived from adverting	75.00
Miscellaneous office supplies.....	30.00
TOTAL.....	385.00

SUMMARY

The combined expenses as listed above total just under \$1000. They are based on broad estimates and may vary somewhat by area of the country and individual circumstances. The figures are reflecting a minimum amount.. I have no question that some individuals may be able to cut expenses further. Since this planning period takes several months the expenses as shown above can be allocated over a period of 4-6 months.

The above figures represent a conservative start. For those who want to get started more aggressively expenses would be higher.. While many of the basic start-up costs would be the same the expenses that would increase would primarily deal with additional advertising, printing and postage expenses. By how much would largely be an individual decision.

Since most new businesses fail because of lack of funds, it would be advisable for an individual who does not have the necessary funds to get started to wait until he does. In addition to the basic start-up expenses an individual should also consider that most businesses will loose money for several months and sometimes much longer than that. Unfortunately no matter how well you plan, circumstances often change and we must make allowances for those eventualities.

Controlling Mail Order's Key Expenses

At this time you may be starting a mail order business maybe you started a business some time ago... In either case this information is designed to make you aware of the critical expense

categories of our business

Business entrepreneurs generally channel most of their energies into building a customer base. We all know that without customers there will be noting else to worry about.. At the same time it is important to be very cost conscious right from the start. The mail order business requires very cost conscious management.

A mature mail order business has 6 major expense categories which will make up about 85% to 90% of its total monthly cash outlay:

Cost of product Advertising Postage Printing Labor Rent

The new mail order enterprise will however not be concerned with either

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labor cost or rent for office or warehouse space. Those expenses will come later as your business grows, However, the other 4 expense categories are critical from the start.

1. Cost of Product

These are the items you buy from your suppliers for resale to your customers. In the first two years of operation your cost of product will be higher than later when you can buy in larger quantities at better prices and when you have a good understanding of what sells. At the start it is important to know

that your cost of product should be kept at below 35%. That does not have to work out for each product but it should represent an average for all goods. You may for example elect to have some sales leaders which have minimal mark-ups but you feel that they will generate additional sales. Your mark-up may be as little as 10%. On the other hand, you will have items that have mark-ups of 10 or even 20 to 1.

In establishing your pricing you must be aware what your competition charges. It is best to be in line or slightly below your competition. Or you may choose to charge more than your competition because you give more or better service.. Do not succumb to greed. Newcomers to the mail order business sometimes commit this folly. Since volume of sales is ultimately more important than profit per item careful pricing is important.. If the cost of a book you are selling for \$15.00 is \$4 you may be better off to lower the selling price to \$12.00 and increase your sales. As you know - since you are one of them - the American consumer is very sophisticated. Suckers are in very rare supply.

The dropship method is the only way to go for a beginner. This way you do not have to tie up any start-up capital for inventory.

You want to be sure you are dealing with a reliable company and therefore price will not be your only consideration. Make sure as possible that your supplier is as responsive to a \$4 order as to a \$100 order. As soon as your volume increases start shipping and you will be in a position to enclose your promotional material.

2. Advertising

This is a major expense for a new mail order company and in the early months of building your business it may be your highest expense. Essentially in our business there are only two ways to find new customers via advertising or via direct mail.. Although many newcomers have a fascination with mailing lists they will soon learn that adverting is more effective and less expensive. Here is a hypothetical cost comparison for both approaches:

Direct Mail - 1000 pieces

Mailing list \$40.00

Postage (bulk rate @ 0.16.7) 167.00

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1000 #10 envelopes 55.00

1000 return envelopes 50.00

Promotional material (est) 120.00 Total excluding labor 432.00

Cost per unit \$0.43 Response 1.5% = 15 orders X avg sale \$25.00 375.00

Cost of product 35% 130.00

Net 245.00 Loss for above mailing is <187.00>

Although the above is hypothetical, it must be understood that returns of higher than 1.5% are rare when using someone else's list. When using your own list, they may be substantially higher.

Therefore direct mail campaigns rarely work unless the average order is in excess of \$45.00 or you profit per order is about 500%. Before you undertake a mailing you owe it to your pocketbook to calculate your expected return. Your aim should be to break even at a 1% rate. Our mailings are geared to break even at 0.7%.

1. Response for a well written classified ad in a monthly publication may vary between 60 to 250 depending on the publication and the season.

2. The national average for conversion from inquirer to buyer is between a low of 5% and a high of 12% depending on price and other factors.

In the advertising scenario, you have a good chance to make a little money right from the start. Many mail order companies are satisfied to break even. The initial effort in responding to the inquirer of your classified is only the start. Over the next 12 months you should be sending at least 3 more mailings to those inquirers who did not buy the first time.. And you should mail to

your buyers about every 6 weeks to 3 months until they have not bought from you for about one year. Now if you had a crystal ball

or a very sophisticated way of tracking the progress of each of the above initial 150 inquiries of your classified ad and could take another look at the results a year later, you would most likely be very pleasantly surprised since the \$23 has now grown to several hundred dollars.

The greatest assets of a mail order company are its mailing lists. In the beginning you will have zero names, a few months alter you may have a couple thousand, a year later 10,000 and gets out on a daily basis, the more orders will come in. The more mail are several important ways you will save money in your advertising:

1. Select well known monthly publications which are ready by individuals interested in what you have to sell. Monthly publications will generate inquirers over many months since they are kept on hand and read by different people. Bi-monthly or weekly publications may be acceptable also. Stay away from Daily Newspapers. They have a shelf-life of a day or less. They should only be used for

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testing... And above all stay away from "cheapies" like ad sheets, shoppers papers, etc.

2. When evaluating the cost effectiveness of an ad it is not the cost of the ad that counts but the number of inquiries it generates. A very inexpensive \$15 ad which generates 3 inquiries, \$5 per inquiry, is terribly expensive compared to a \$150 ad which generates 200 inquiries, 0.75 per inquiry.

3. To test an ad one insertion is enough. The results will either be very good in which case you should buy 3 insertions the next time for a saving of about 10%, or the results will be average in which case you may want to run another test, or they will be poor which may be caused by any of the following reasons: Wrong publication, wrong heading, or ad, reader not interested in the particular offer.

4. Keep the cost per inquiry below \$1.00

5. Write a tight ad. Each word including your address is counted.

6. By all means, set up your own In-House Advertising Agency. It is easy to do and will save you 1% right from the start.

3. Postage Postage is a big expense for any mail order firm.. This cost covers three areas: Responding to initial inquiries, cost of shipping orders to customers (this will include carriers such as UPS) and the cost of repeat mailings to customers and previous inquiries.

The first category of responding to initial inquiries is most often handled via First Class Mail. If the cost of mailing a single piece exceeds 65 cents strong consideration to use Third Class Bulk Mail should be given. This is especially true if catalogs are mailed to prospective customers.

Repeat mailings to previous buyers and inquirers as well as mailings to a rented list should always be sent via Third Class Bulk Mail. The exception to this may be when mailing a piece which weights 1 oz or less. The cost for First Class postage is 25 cents compared to 16.7 cents via Third Class Bulk Mail.

Following is a broad overview of the usage of bulk mail. Your local POst Office will give you specific information. The major advantage of using bulk mail is the considerable savings. The major disadvantages are the time it takes for a piece to reach its destination and the reliability of delivery. Recent surveys have indicated that a sizeable percentage of bulk mail never reaches its destination. This appears to be especially prevalent with light weight pieces such as #10 envelopes.

Basic requirements to utilize the bulk mail rate are that a bulk mail permit has to be obtained. The annual cost is \$60.. Anyone can obtain this permit.. Secondly, each mailing must have a minimum of 200 pieces and it must be sorted by zip code according to Post Office regulations.

The rate for the first 3.37 oz is 16.7 cents. Weights in excess of that weight are calculated by the combined use of a per pound and per piece rate. Each piece

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in a mailing must have the identical weight.

If as an example your piece weights 3 plus ounces your rate to send it via First Class mail is 85 cents. This compares with 16.7 cents for bulk mail... If you were to send 1000 piece per month, First Class cost would be \$850.00 versus \$167.00 for Bulk rate. This is a very sizeable difference. Even if you lost a few potential customers, it would most likely still more profitable for you to use bulk mail.

Bulk mail will generally reach its destination in a radius of about 500 miles in about 7-10 days, 500-1500 miles, 10-15 days, over 1500 miles 15 to 25 days. Some mail order companies will use a combination of bulk and first class. They may use bulk mail for destinations of less than 1500 miles and first class for greater distances.

If you can not generate at least 200 pieces per week you may want to consider to combine the responding to new inquiries with remaining the same piece to a previous inquiry.

The cost of getting the product to your customer is also quite expensive and needs to be carefully managed.. If you are utilizing the dropship services of a supplier you will not have any control over this expense.. It is advisable that you ship at least some of the orders yourself as soon as your volume makes this feasible.

The Post Office has given shippers of books and certain other bound written material a special rate category which makes substantial savings possible. Special 4th class mail costs 95 cents for the first ounce and 35 cents for each additional ounce.

Unless your customer pays you extra for first class or UPS service, this class of mail should be utilized. It will take a little longer in reaching its destination, but the savings are quite substantial.

UPS rates are generally less expensive in distances of up to about 1100 miles when compared with first class rates. Since UPS charges a basic weekly pick-up rate of \$5.00 you may want to utilize the services of an outside company until your volume is large enough to justify daily UPS pick-up.

4. Printing

Printing is another major expense and, unlike postage, a certain percentage of your printing cost may be for material that will become obsolete before the supply is exhausted. This is especially true for beginning mail order operations. You may decide to discontinue promoting an item and find yourself stuck with several thousand useless circulars.

For the above reason it is wise in the beginning stages of your new business to print in small quantities until you know exactly what sells and how it should be promoted.. You may wish to make exceptions for certain items such as envelopes

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which have continued usage. Printing in small quantities will cost more per piece but it is better than throwing money into a trash can.

As your volume increases and you see fit to have larger volumes of given pieces printed, be very careful in selecting your printer.. In addition to price you will, of course, also be concerned with quality and service. Some printers will provide additional free services with a print job, such as typesetting.. Always obtain several bids when doing larger jobs.. For example, at this time (summer 1990) 1000 11 x 17 pieces (this is a 2 page foldover) imprinted on both sides will cost \$130.00 in the Washington, DC area. The very same piece can be done by a printer in a medium size midwestern city for a little as 435.00. This represents a difference of over 8 cents per single piece.

If you are doing business in one of the many high cost areas of the country or in Canada, by all means consider doing business with out of town printers. You will see many ads in mail order publications.. Some of the best prices can be found in some midwestern and southern states. Lower labor and operating costs make these prices possible. Before giving a larger job to an out of town printer test his quality with a small job.

The cost of creating camera ready art work through professional graphic designers is substantial. It is strongly recommended that you utilize the free art work supplied by many suppliers until you are large enough to absorb this substantial expense or are able to produce it yourself through a desktop publishing software program.

Learning how to think on a per unit basis is real important in our business. The cost of printing, mailing and other costs are generally quoted and calculated for 100 pieces.. But to evaluate the cost effectiveness of mailing or advertising, etc get used to thinking in the per unit mode.

An acquaintance of ours who recently did mailing of 32,000 pieces was able to make a small profit on his mailing which was of limited success by making tow changes: 1. He utilized an order form which was built into the piece rather than a separate order form — saving 2.7 cents. 2. He used a #66 3/4 business return envelope instead of a #9 envelope — saving 0.4 cents. The saving was 3.1 cents per piece or \$992.00 for the entire mailing.

Mail Order Bookkeeping Basics

INTRODUCTION

This information is provided for individuals who are starting a mail order business and require a basic bookkeeping system. It has been written for someone who has little or no bookkeeping background. No income tax or professional advice is rendered. Such advice should be obtained from a CPA or an Attorney.

The operation for any business requires a basic system to keep track of

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income expenses. There are two good reasons to keep good records.

1. It is the law. The IRS, State Income Tax Division and State Sales Tax Division (where applicable) requires you to keep complete and accurate records.

2. Keeping good records is good business. It helps you to understand your business better. It will let you know at all times how your business is doing — how much money you are making or losing. In addition it enables you to analyze expenses and revenues. You can see how seasonal and other trends develop. All of this will help you to make sound business decisions.

BUSINESS CHECKING ACCOUNT

It is best to set-up a separate business checking account with your bank for your business. This account should be used only for deposit of business related income and payment of business expenses. In this way you can maintain a distinction between business and personal expenses.

STATE SALES TAX

You are required by law in most states to collect the appropriate State Sales Tax. This only applies for sales within your state. Out of state purchasers are not charged a sales tax. Only the end-user pays sales tax. If you should be selling to a dealer he can provide you with a sales tax exemption certificate.. In this case he is not required to pay the sales tax to you since he will be collecting it from his customers.

STATE USE TAX

The Use tax generally applies when a company buys supplies or equipment for its own use from an out of state business. It does not apply when material or merchandise are bought from an out of state company which will be re-sold. The use tax rate is the same as the sales tax rate.

For specific information on regulations in your state call the nearest State Sales Tax Division in your area.

ACQUISITION OF EQUIPMENT

When acquiring office machines, such as typewriters, computers, copiers, furniture, etc. such expenditures are generally depreciated on your tax return over a period of time.. For specific information check with a qualified tax advisor.

EXPENSES RELATED TO A HOME OPERATED BUSINESS

If a business is operated from home in many instances a portion of rental, mortgage or other expense may be deductible when filing your income tax.. The same may apply to utility expenses. There are specific laws pertaining to this, and again you should get professional advice.

EXPLANATION OF FORMS

We have provided you with several forms. You can use them as they are or change them to fit your particular needs.

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1. DETAIL OF MONTHLY EXPENDITURE FORM

In the left hand column you keep track of expenditures for merchandise and products that you resell to your customers. The accounting term is generally cost of goods or product, or cost of sales.. If you sell books by mail you would record your purchases for these goods (including drop shipments) in this column.

The right hand column should be used to record all other expenditures. You obtain this information from your business checking account. If you pay for business expenses by cash keep track of these expenditures separately and enter into this column also.. If you also use one or more credit cards to pay for business expenses list these expenses here too.. It is best to designate a specific credit card to be used for business expenses only.. Do not intermingle personal charges. In this case you may be able to deduct the interest on your taxes.

2. INCOME AND EXPENDITURE FORM

Record your daily income in the left hand column. Since you may not have income on a daily basis in the beginning stages of your business you can record income less frequently, such as weekly or even monthly.

You may wish to keep a separate income journal. The purpose of such a journal would be to give you a more detailed breakdown of your revenue. Set it up in any way you feel it will best suit your needs. For example you may want to record new business separately from repeat business. If you sell dealerships and books, for example, you may want to record the revenue from dealerships separately from the revenue for books, etc.

In fact the right column of this form you can keep track of your expenditures by category. Again you can change the categories to suit your particular needs.

When you deduct your expenses from your receipts at the end of the month you will have an income or loss figure for your business

PROFIT & LOSS STATEMENT FORM

Here you show you monthly revenue, expenses and profit loss. There are no requirements for you to do this on a monthly basis..

Especially in the beginning stages of your new business, you may want to generate a Profit & Loss Statement on a quarterly basis, semi-annual or even annual basis.

SUMMARY

The above information and forms will give you a basic system. Tailor it to fit your own situation. You may want something more elaborate or less detailed. Or you may not even put all your business accounting on your P.C.. If you are considering to acquire a software program to help you with your accounting I would strongly suggest you wait until you understand your business well. Also account-

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ing software can be difficult to use for an individual without accounting background. A personal money management software system will generally be quite adequate for most small businesses.

Don't get overwhelmed by record keeping for your new business especially if this is something new for you. Governmental agencies do not require you to keep your books in a particular way but do require you keep good records. This also means that records must be substantial. Again your accountant can give you detailed information on existing requirements.

While the big task of any new business is developing sales and acquiring customers, good record keeping is generally found in successful business operations. Your records provide you with accurate present and past information that you as the owner and president of your company must use constantly analyze your business so you will maximize profits.

Mail Order Advertising Directory

This publication is designed to provide accurate authoritative information in regard to the subject matter covered. It is sold with the understanding that the publisher is not engaged in rendering legal, accounting or other professional service. If legal or other professional assistance is required, the services of a competent professional person should be sought.

From a declaration of principles jointly adopted by a committee of the American Bar Association and a committee of publishers.

INTRODUCTION

This directory was designed primarily for the beginning mail order entrepreneur. There are various Advertising Directories on the market. Some list a few hundred, some over a thousand publications. Listing such a vast number of publications is unnecessary and creates confusion for someone new to the business. Most of the publications listed are neither suitable nor do they accept classified ads. Even the smallest display ads in certain magazines often cost thousands of dollars. Therefore, we felt strongly that a smaller directory, listing only those publications which accept classified ads; cater to the mail order field; and have proven to be successful for many small mail order companies, was definitely needed.

THE MAIL ORDER ADVERTISING DIRECTORY lists only about 150 publications. We think the best way to get started with your advertising effort is with small well-placed classified ads in national, monthly publications. As you gain experience and your business grows, you should definitely work with display ads as well. The smallest display ad which is generally available from mostly national publications is 1 inch in size. It may cost anywhere from 100% to 300% more than a typical 20 word classified ad in the same publication.

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We also did not list any daily newspapers. Mail order advertising is generally not cost effective in a "daily" due to the very short shelf life of one day to 3 days (weekend edition). Weekly, but especially monthly publications, by contrast, can generate inquiries for several months. Some of the major daily papers however, can be effectively utilized to obtain quick test results for a given offer. Many of the publications listed in our directory lend themselves very well to information products such as books, manuals, directories, tapes, etc.

SOME GENERAL COMMENTS AND SUGGESTIONS ABOUT ADVERTISING

Advertising Expense

As a newcomer to the mail order field, you have probably already learned that besides the cost of the product you sell, your biggest expense are in three major categories, namely: Advertising, printing, and postage. It is vital that, right from the start, you control these expenses carefully.. These major expense categories make up close to 90% of the budget of an owner-operated, home-based mail order company.

In a classified ad, you generally pay a per-word rate. A few publications, as well as daily newspapers, charge a per-line rate. Many publications have minimum word requirements of about 15 words. Each word used in the ad, including all components of your company name and address are counted. Since per-word rates range anywhere from approximately \$2 to \$15, it is important to choose your words carefully so you get a maxim number of inquiries for a minium amount of expense.

The most effective way to evaluate the cost effectiveness of your ad is on a cost per inquiry basis.. As an example, an ad which costs \$100 and generates 100 inquiries has a per inquiry cost of \$1. Such an ad may therefore, be far "less expensive" than a \$10 ad in one of the hundreds of small mail order publications. Such an ad may cost \$10 but if it gets only two or three inquiries the cost per inquiry is prohibitive.

As a general rule, we recommend not using small mail order publications or ad sheets. Advertising in these publications is usually quite inexpensive and, consequently, very tempting.. But a \$10 ad here and there can quickly add up,, especially if there are unprofessional appearance and has no news content, only ads, you should stay away from it. Within the directory, we have listed about 15 mail order publications from which we have listed results. These are listed in alphabetical order along with the other publications and are classified as Mail Order Advertising Magazines/Tabloids. They are preceded by an * asterisk.

How to Test an Ad

If you are advertising a product for the first time, it is generally best to place just one ad. After you have evaluated the effectiveness of the ad, place additional ads. Multiple insertions do save money, but it is best to wait until you know what

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ads, in which publications, work best for you. In a monthly publication, most inquiries will come in between the second and fourth week after the ad first appeared. If you are running the same ad in different publications, be sure to code each ad, such as by department number.

Choosing the Right Publication and Classification

Choosing the right publication requires some effort on your part. If your budget allows it, buy a few of those magazines you are considering advertising in. Review the ad as well as the news and editorial content.. You want to determine if the readership of a magazine is the right audience for your offer. In most cases, your ad will be well placed in a publication which advertises similar products. Your ad would be especially well placed in publications which carry repetitive advertising of successful mail order companies which sell products similar to what you offer. Choosing the right classification is just as important as choosing the right publication. Choosing the right classification can mean 50 even 100 more inquiries. Again, generally, it is best to place your ad under the same classification as your competitors do.

Suggestions for an Effective Classified Ad

“get the readers’ **ATTENTION**—quickly.” The headline/first impression is critical. Most publications allow 2-5 **BOLD WORDS** free of charge. Use those words well to get your opening message across.

“Arouse **INTEREST** as soon as possible” by giving your reader the important benefits.” Waste no time in telling your prospect why he should buy from you.

“Stimulate **DESIRE** for your product or service.” Tell the reader how he will benefit.

“Generate **ACTION** By telling him exactly what you want him to do” at that specific moment in time, such as: Write for **FREE REPORT** today!

Most classified ads are best used to generate inquiries which are sold not by the initial ad but by the sales literature they will receive. Mail order advertising pros agree that it is almost always impossible to sell an item costing more than \$3 to \$5 directly from a classified ad.

ABOUT LISTINGS ON THE FOLLOWING PAGES

Publications are shown in alphabetical order. Each listing consists of the following data: name and address of publication, circulation, frequency, per-word or line rate (some publications do not have rate information due to an impending rate charge or unavailable date at time of publication), and category.. Due to frequent rate changes by most publications, we recommend you write to the publication requesting a current rate card before placing an ad.

Publications shown in bold are weekly or monthly national publications that we believe will give you the best on your return advertising expenses,

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* Publications preceded by an asterisk are major mail order trade magazines. If you would like a more complete listing of over 100 Mail Order Trade Magazines, order Directory of Mail Order Publications. \$3.00

IN CONCLUSION

The goal of all advertisements is the successful presentation of the advertiser's message so that he realizes the maximum amount in sales and profit.. The idea is to create reader interest and get responses that result in CHECKS and ORDERS.

State Sales Tax Guide An overview

INTRODUCTION

The intent of this publication is to give the newcomer to the mail order field an overview of state sales and use tax laws as they affect a small mail order business. As of 1988, 45 states and the District of Columbia levy sales and use taxes. In researching this project, I was unable to find any publication that provided comprehensive information on sales and use taxes in all states. The information we present is based on limited research of laws in the State of Maryland, and several other northeastern states. Yet fundamental rules as pertaining to sales and use taxes appear to be fairly similar throughout the country. No information in this overview is to be construed as presentation of legal or tax advice or advice on any laws in any state or municipality in the U.S. Such advice and information should always be obtained from qualified attorneys. CPAs or the appropriate state or city sales tax office.

Without question, the two tasks that I dislike most are reading and writing about insurance or taxes. I had, therefore, put this project off for quite some time. What eventually prompted me to write it anyhow was I saw a definite need, often based on a lack of understanding about sales and use tax matters by newcomers to the mail order field. I promise you this will be as short and painless as the subject allows.

FACTS ABOUT STATE SALES AND USE TAX LAWS

1. I List this fact first since it seems to represent the biggest misunderstanding: Sales tax is levied on intra-state sales only..

Sales taxes are not levied in interstate sales, except as shown below.. This simply means that the ABC Mail Order company located in Los Angeles, CA when selling an item to John Doe who lives in Denver, CO, does not charge him sales tax. The ABC Mail Order Co only needs to levy sales tax to a resident of the State of California. This rule is based on a Supreme Court decision of 1967 in which the Court decided that state sales cannot be levied on sales made to residents of another state. Congress did, however, amend this law earlier this year, and it now requires those mail order companies which have annual volumes in excess of \$2.5

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million dollars to collect sales tax on interstate sales. It is expected that the 2.5 million dollar figure will be lowered in the next several years, but it is unlikely that small or medium mail order companies will be required to charge sales tax on interstate sales in the foreseeable future.

2. State sales taxes are levied on retail sales only. It is the person who uses the product who must pay the taxes, not the various layers of companies which are between the manufacturer and the user.

3. You, the company, charge the tax and hold it in trust for your state until your next sales tax filing.

4. I am often asked: "since I am just starting out and just a small company can I just forget about charging the tax?" I definitely do not recommend such a course. If you do you are violating an important laws of your state and are subject to the consequences which can be severe. remember one of the most important premises of tax collection policy in this country is for the Federated State and local governments to require strict adherence. If they let one company, no matter how small, get away with non-compliance, the "Tax Collecting Structure" is adversely affected.

5. Along with the above question here is another equally popular one: "Since I am quite small, can I just pay it for my customer and not show it on the order form? The information I have been able to come up with is that all states feel very strongly about this point.. IT IS DEFINITELY, MOST EMPHATICALLY A NO-NO. I was told that any company who follows this practice is subject to (A)paying all taxes again though they may have been paid before, and(B) the company will be subject to all appropriate fines, interest penalties and punishment under the law. As the operator of a small mail order business, you sometimes are subject to using the promotional material that your suppliers provide you with; many of the circulars do not have sales tax information and you have a small problem. But it is very small because (A) It is easy enough to fix a circular; a little typewriter whitener, your local (or out-of-town) printer, typesetter, desktop publisher it is always a good practice to include your own order form which contains the sales tax information for your state. You will get more orders that way since some of your customers want to keep the promotional material you send them intact until they receive the goods. So an order form which costs less then 3 cents a piece is a good marketing tool and it will keep you out of trouble with your state authorities.

6. It is very easy to obtain the proper information and then to comply with it. I know when starting a business these small matters can often appear to be overwhelming, but almost always they just appear that way.. So, just take one step at a time. No matter where you live in this country, if your state has a sales tax, there will be an office nearby that will be glad to give you information. Just ask the telephone operator for the listing of the local state sales tax office. You will receive

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information in a few days. Generally there will be no fees to pay and forms are easy to fill out... In a few days or a couple of weeks, you will be issued a sales tax license. Your state does not care if you operate your business out of your home, garage, and office or warehouse location. All the state wants is to collect taxes.

7. Most, but not all states have quarterly filings. The sales tax office will set you up on a schedule. If you live in one of the less populous states and are just starting out, your quarterly amount due will be very small and could be as little as \$1.. You still have to file and pay. If you operate in one of the large states such as California, New York, Texas, etc.. you may do quite a bit of business in your own state.

8. Certain products and most services are exempt from state sales taxes. Since different states have different rules, it is best to obtain the regulations for the state where your business is located.

9. Penalties for non-compliance with state sales tax laws vary, but in general are quite strict. It is best not to take chances and to strictly comply with the laws of your state.

10. Many cities throughout the country levy sales taxes. Such taxes are beyond the scope of this article. The principle and basic rules of city sales taxes, however, are similar to those of state sales taxes.

11. **SALES TAX RESALE CERTIFICATES.** Laws may vary by state but the principle is based on the premise that the sales tax is only paid by the consumer or "end-user." Yet your supplier is required by law to charge you the tax unless you can furnish him with a Sales Tax Resale Certificate. Example: You sell a series of reports both to customers in your state and customers in other states, and you have them reproduced at a local quick print shop who charges you the appropriate sales tax.. Call your local sales tax office to obtain an application for a Tax Resale Certificate. As soon as you present it, your supplier can cease levying the tax on you. As previously stated, the reports you send to your out-of-state customer are not subject to state sales tax, but the reports you sell to your in-state customers are.

12. State use sales taxes are slightly more complicated to explain than sales taxes. A "use tax" generally applies under one or two circumstances : (A) You are buying certain quantities of supplies wholesale and are reselling most of the product. However, you are retaining part of the product for your own use or consumption. You must estimate that portion which you use, and pay the use tax on it.. (B) More commonly you are buying certain supplies for your own use and not for resale from an out-of state supplier. You must pay the use tax on those items.. Some common examples are: Office supplies, printing supplies, office equipment, etc. Obtain specific information from your state. Use tax rates are assessed at the same percentage rate as sales tax rates. Items you buy out of state which you

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resell, such as books or other products, are not subject to the use tax.

I strongly recommend that you obtain specific information from your local sales tax office and then adhere to all laws and regulations of your state. The inconvenience of dealing with those rules will be minor compared to the possible serious consequences of non-compliance.

The last page of this article shows (1) The sales and use tax rates which were in effect on July 1, 1990, in those states and the District of Columbia which levy sales and use taxes. Changes may have occurred since that time.. (2) A sample ledger sheet which may be one way you could record your sales taxes. If you are audited, it is important that you be able to produce a workable system that indicates you record sales taxes as a routine procedure. (3) That portion of a sample order form which shows the sales tax information.. Please note that almost all states levy the sales tax on that amount which includes postage charges.

Mail Order - Most Common Mistakes

INTRODUCTION

Much of the following text is based on mistakes, some of them costly ones, which I made during the early part of my mail order career. In addition, I have worked with many people over the years and have observed the most common mistakes that are made over and over again by most entrants into this business.

THE GREAT MAIL ORDER MYTH There are a number of totally unrealistic and irrational beliefs about the mail order business. To believe in any of them can be dangerous to your pocketbook. Here are some of the most common ones:

1. It is possible to make vast amounts of money in a short period of time under the following conditions:

a. No experience b. Little or no investment c. Insignificant work effort

If this were a multiple choice test, then A, B, and C, would be FALSE— FALSE AND FALSE AGAIN

It does take experience, and knowledge, which can be acquired through reading, observing, and doing... There are many good books as well as some bad ones, on the mail order business. Stay away from books that make unreasonable promises. Our Special Report Series is designed to give you factual information on a specific subject. Universities and colleges across the country give courses in mail order and direct mail.

You can learn a great deal by observing companies that have been around for some time and are successful. Read their ads, study their offers and promotional literature. Some of the most effective direct mail offers are written by professional writers who are employed by large companies and who will not have a job unless they write successful and effective material. So, the next time you throw

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away a piece of mail from American Express or the Book of the Month Club, look at it and study it carefully.

The mail order business, like any business, requires an investment... It may be smaller, in many cases, than a business which requires a store front.. In most cases, mail order entrepreneurs launch their businesses from their homes. The amount of the investment is largely determined by the magnitude of the entrepreneur's effort. A part-time mail order business can be gotten off the ground for less than a thousand dollars... The belief however, that a business, any business, can be started for \$50 or \$100 is totally false. I might add, it can be very profitable to those who make their living telling people it can be done.. of course, they are usually the ones that want, and often get, the only \$50 they say it takes to start the business.

And now we get to the really good part—little or no work. In some peoples' minds, it goes something like this: Put in a few hours here and there, easy work, just stuff some envelopes, run a few ads; and wow, the money will be pouring into the mail box! Anyone who believe that probably also believes they are going to win a few million dollars in the lottery. The odds are not very far apart. Building a business, mail order or any other, is hard work.. It takes great perseverance, belief in your efforts and lots of work.

2. Many people believe that they can get lucky in this business. Don't believe it for a minute.. It is the greatest mail order myth of them all. To believe it is fatal. Look at this business in the same way you once looked at your job anytime you first began to learn a new skill. It took time to acquire those skills and this is no different. It will take time and also effort.

3. Finding the one book or product that thousands or even millions will buy. Well, it is obviously possible since it has been done, however, your chances of coming up with another Pet Rock or Rubik's Cube are highly unlikely. It is equally unlikely that you will discover the one book that will be bought by hundreds of thousands. But your chances of becoming a success in this business and making a lot of money are excellent, if you adhere to the rules and principles of the business.

4. Running a small ad in a national magazine and getting hundreds or even thousands of orders.

5. Renting a mailing list of 1,000 names and getting 150 to 200 orders. A very good list will generally produce no more than 2% to 3%, 20 to 30 orders for 1000 names. Your own list may do much better.

There are a few of the most common beliefs about our business that are almost always totally false.

PRODUCT CHOICE

Since my experience in the mail order business is exclusively in the area of

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selling information products, my comments will be most pertinent to that segment of the market. However, much of the information covered here is applicable to any product sold by mail.

The first task any new entrant into this business has to deal with is to determine what product to sell and to whom he will sell it.. This is a considerable task and it should not be taken lightly.. Many serious errors are committed in this area.. To become well informed in this area, it is necessary to read various publications that cater to those people to whom you wish to sell your products. REad the news content and study the ads. Send in for free information on those ads that are close to the products that you select have an ongoing demand so your customers will want to buy from you again and again.

During this early stage of your mail order career, it is of utmost importance to control your enthusiasm. If you don't, you will get drawn into the SHOTGUN APPROACH. In this scenario, you will be so enthusiastic and impatient that you will make a number of rapid moves such as the following: You will buy one or more distributorships; choose one or more products that you know a little about (it amazes me beyond belief that people make marketing decisions about products they have not seen—this is simply insane): run one or more of the publications; or rent a mailing list and have no idea how the names on that list were accumulated.

Needless to say, you can spend a thousand dollars or more in a hurry and you may get little or no results from your efforts.. And what is even worse, you will probably become discouraged and get out of the business before you had a chance to understand it at all.

When choosing a product, take care in considering all aspects associated with the marketing of it.. The most important considerations are: demand and repeat demand Cost and mark-up potential Shipping or dropshipping arrangements Reliability of your major suppliers Product storage in case you decide to do your own shipping Cost of shipping

The most important consideration in choosing a product or line of products is your belief that this product represents a service or need to your potential customer. The product or products must also have related products that can be sold to your customer at a later time.. Each product you sell should be marketed with the aim of selling additional products. This is why, in general, selling just one product is so very difficult and selling a line of products via a catalog for example, is so effective... A versus a single one. The more items you can sell each customer, and the more repeat sales you can generate, the more money you will make.

THE PROMOTIONAL OFFER

Once you have chosen your product, set the price, decide who your supplier is going to be and how it will be shipped, you begin to put together the

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marketing material.. This is more crucial in our business than in any other business and it is also precisely the reason why a percentage of the population will not buy by mail—because they cannot see, smell or feel the product until they have paid for it.

The most common mistake committed in this area is to duplicate exactly what another enterprise is doing. One of the big problems with this approach is, since there is so much plagiarism going on in this business, you may be copying someone who is just as new in this business as you are and who is also copying someone else's idea. It is OK to copy what others are successfully doing example, many companies in the information product line will provide their dealers or distributors with ready-made promotional material. In most cases, this is the least expensive way to get started and, if you are dealing with a reputable and successful company, you will be promoting products that have been proven successful.

It is recommended however, that you use this approach only until you get your feet wet. Then you should begin to develop your own material. Once you have a better understanding of what sells and who is buying it and why, develop your own brochure, circular, etc. You can still utilize the material of others as an addition or follow-up to your material. Developing your own material is not at all difficult and can be done professionally and effectively on a rather small budget. A good promotional offer consists of several important components which include:

The circular or brochure, or catalog. A brochure or catalog does not have to be a 40 page instrument but can be as few as 4 pages.

An effective sales letter

The ordering instrument—this may be a built-in order form, separate order form, etc.

Return envelope

Of the above, the development of the brochure, circular or catalog, is the most expensive so here is where you will most likely use something that is supplied to you by your supplier.. A hard hitting sales letter is as important as the brochure. You have generally three options in tackling this project:

1. You can copy one from someone else. Since an exact copy may be illegal, you should probably use elements of the letter and make some changes but the end result generally leaves much to be desired.

2. You can pay someone to write one for you. This can be very expensive and may still bring about less than desirable results. The biggest problem here is that the writer of your sales letter will generally not understand your product as well as you do.

3. Do it the right way, the hard way. Do it yourself.

There are many good publications on effective letter writing for direct marketing and you should read one or more of them. Keep in mind that no one will

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understand your product as well as you do..

To do a good job, it is a definite requirement that you believe in the product and believe that it has one or more important benefits to the buyer. Just having the desire to sell the product, so it will make money for you,, will not cut it as a rule.. Once you understand the basic components that need to be in every sales letter, you should be able to write one.. A little practice may be necessary. You will become more proficient with each new product.

An order form should be user friendly. Your customer should be able to read the instructions with ease. If your brochure, circular, etc. has a built-in order form, it is generally a good idea to enclose a separate order form.. This way the customer can keep the original offer intact.

Enclosing a return envelope is strongly suggested. The idea is to make it as easy as possible for your potential buyer to part with his money and send it to you without too many hurdles.

The biggest sins are committed under this topic of The Promotional Offer and, since the promotional offer is the only thing your customer sees before deciding if he will buy from you or toss you in the nearest trash can, you must do things right, there are absolutely no exceptions. If you are sloppy here, if you try to save a few bucks, you are cheating yourself, not your customers. Keep in mind he is an expert at rejecting offers since he had many years experience. the average American is presented with approximately 6,000 plus offers to buy something per week—TV, radio, newspapers, magazines, road signs and, last but not least direct mail. Or, putting it into more personal terms, YOUR OFFER. So sweat over this one SO YOU WON'T GET TOSSED.

The money which is wasted annually in this country on substandard direct mail would make a substantial dent in our country's national deficit. Every week I see dozens of offers come across my desk that could make me weep.. Such garbage! Return envelopes with crooked rubber stamp imprint, sales letters with spelling errors, grammatical errors, etc., so called brochures which were apparently copied by a 20 year old copying machine.., circulars that look extremely unprofessional because the order form section has obviously been changed by a typewriter and they arrive all by their lonely selves, no sales letter, no return envelop.. God it is awful! The authors of this garbage are screaming to the world: "I am an amateur, I am an amateur, I have no idea what I am doing but I want your money. You'd better believe and not forget that this country is made up of 240 million of the most sophisticated buyers to be found anywhere on this globe.

Yet, this is also the area where you can shine and excel beyond your wildest dreams.. Modern technology has given us the tools to produce marketing material that can make you look as good as some of the largest and most successful companies in this country. And you can do it right out of your home. You will find

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professionals who can help you in this endeavor. Right in your own city there are desktop publishers, graphic designers, and word processing services that are eager to help you. You could get a 4 page brochure designed for as little as approximately \$100, in most markets, plus printing. The brochure can look just as good as the brochure of a million dollar company.

Therefore, you must do things right. The average buyer will look at your piece for less than 8 seconds to decide whether to junk it or study it.

MARKETING YOUR PRODUCT VIA ADVERTISING

Most new mail order entrepreneurs will sell their products through advertising once they know what they will sell and have developed their promotional offer. Since display advertising is generally quite expensive, it is best to start out with classified ads in monthly national publications. Classified ads, as well as small display ads, should only be used to get inquiries from promotional buyers. The inquiries are sent the promotional material you have developed and a percentage of them are converted into buyers. This percentage generally will range from between 6-12%. If you want to sell something directly from an ad, the item should cost less than \$4. There is not enough space in a small ad like that to convince a buyer to spend \$10 or \$20. For that reason, you see full page ads selling products in that price range.

The first task is to choose the right magazine. One of the most effective ways to find the right magazine is to choose one that carries ads by successful companies that sell products similar to yours... The wrong magazine is generally the one whose content attracts readers who are not at all interested in the product you are selling.

Choosing the right classification in the publication is as important as choosing the right magazine.. Again follow the leaders. Since there are thousands of magazines catering to almost every possible interest group, the possibilities of finding new opportunities to market your products are unlimited. I suggest, however, that in the beginning you stick with well known magazines and leave your experimentations for later when you are better established.

Monthly publications are generally more cost effective than weekly magazines, and certainly, daily papers. You can get inquiries from a national publication, such as Popular Mechanics, for months and sometimes well over a year. A daily paper, on the other hand,, will rarely produce an inquiry beyond 2-3 weeks after it was published.

A common advertising mistake is to choose inexpensive advertising such as in shoppers papers, mail order trade journals, etc. It is not how much the ad costs but how much each inquiry costs you... If you ad costs \$100 and you receive 100 inquiries, each one has a direct cost to you of \$1. Early in mail order career I spent a lot of money for a \$10 ad here and a \$20 ad there. I soon learned that

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sometimes I would only get one or two inquiries for my \$10. Expensive! To test a product and promotional offer it is sufficient to run the ad just once.. The magazines and advertising agencies will often tell you that to test an ad you must run it 3 or more times. I say no. Not until you know how the first one pulls. You will need some patience for this endeavor since most monthly publications have a lead of two or three months.. But its is much better to wait a little while than to spend hundreds of dollars without getting needed results. To write successful ads also takes practice and work.. Once again, follow the leaders. A successful ad can often pull two, and sometime three, times as many inquiries as an ineffective one.

MARKETING YOUR PRODUCT VIA MAILING LISTS.

This approach is often preferred by the newcomer. Unfortunately, it is also generally the least effective way. It is preferred by many because it is perceived to be easy. And if it worked it would be. Millions of dollars are made by companies in renting the wrong names and stale names to new mail order entrepreneurs.

Both sides lose. The company renting the names will not get any repeat business and the customer often goes out of the business if his efforts are futile. Almost my very first mail order experience, "a very rude awakening," was when I rented such a list, sent out 1,000 offers (first class no less- a definite no, no) and I got how many orders: "How about two or in dollars \$20." Between postage, printing, renting the list, etc., my cost was well over \$300.

The most unfortunate mistake newcomer make here is to assume one list as good as the next one. I generally recommend that inexperienced mail order operators start out advertising, and as they gain experience, begin to use mailing lists in addition to their advertising. But, if you absolutely cannot resist, at least be very picky in choosing your lists. Deal with a reputable broker or smaller mail order company that you know advertisers frequently. Find out how the names were generated. What did the ad that brought the inquiry sell? If you are trying to sell books on how to start a new business and end up with the names of people who answered an ad about how to find a better job or learn a new hobby, you will have wasted your money... Likewise if names are older than 6 months, preferably no more than 3 months, you will get too many returns and people may not be interested in the same subjects anymore. Mailing lists especially your own, can be highly successful, but only if you have gained enough experience to make wise selections.

How To Create Circulars, Small Brochures, And Sales Letters That Will Get You Orders, Now!

WHY ARE YOU WRITING THIS BROCHURE OR SALES LETTER?

A great deal of money is wasted each day in putting useless sales and mar-

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keting material. Material that was written for the wrong reason or the writer forgot its purpose after he started writing it or fell in love with his own words.

The single purpose of any marketing communications is to get the reader to take action... That action may be to request additional information or to phone in or send in an order. Before you write any marketing document be sure you are clearly focused on this point. As you write each sentence and each paragraph, constantly ask yourself whether what you are writing will get your prospect to act.

It is easy to get sidetracked but don't fall into this trap.. Your purpose is not to tell the readers how clever you are or how great your company is to try to entertain your reader. Your only objective in writing this material is to get your prospect to:

1. Send in or call in an order. 2. Obtain more information, if that is your intent.

So, before you write your material, write down its purpose and then stick to it. The focus should always be on the prospect, not the writer!

All of us are barraged with direct mail pieces every day. Have you noticed how many of them, even in the opening paragraph, miss the point which is you the reader and your needs.

Here are two examples. Both were written by magazines with the purpose, I assume, to get the reader to spend advertising dollars. You decide which one is doing the job.

I. Avertiser's Introductory Special

Advertiser:

The XYZ Magazine is a monthly national mail order newspaper which is circulated by mail... Our readership of 1,000,000 are mail order responsive subscribers, Opportunity Seekers, Investors, Salespeople, etc.

2. Looking Fora A Fresh Start?

Millions of Americans have a dream, and that dream is to become rich and successful in an exciting, lucrative business of their own — What better way than to start through classified advertising.

When you receive a sales letter or brochure that focuses on you, don't you take notice and get further into the material?

Make it a practice, at least until you become more experienced to scan each and every promotional piece that is sent to you. You will quickly establish the difference between effective and ineffective material.

Some Research Will be Helpful

Writing the right material but directing it to the wrong person is fatal. Don't you often get married, especially direct mail pieces, which have absolutely nothing to do with your needs or interests.

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Know who you are writing to and what that person wants.. How can he benefit by what you have to offer. One way you can accomplish this is by picking out those classified or display ads that resemble what you want to sell. Then send in for more information.. You soon learn how the product is being marketed by different companies.

The very best way to write material that reaches the prospect is by writing to one person rather than writing for mass appeal.. It will keep your style easy and friendly.

Lethargy is human nature and overcoming it will be one of your greatest challenges... Most of us are lethargic by nature.. If we can do it tomorrow or next week, why not.. People feel if they don't take any action they cannot make a mistake. Every marketer has the formidable challenge of overcoming these "Non-action Tendencies."

The anxiety/fear syndrome can be effectively used to overcome the above... For example: "This is a limited offer." This offer must be exercised by date...Be believable in what you are saying. Consider using testimonials, government studies, well known research, etc. to aid you in making your point.

For example, research pertaining to the start of any enterprise indicates that before any business can be started, someone initially has an idea and then at some crucial moment takes the first step.. It is when he translates the mental commitment into a physical act. This may be the purchase of a book, report, franchise, distributorship, going out and looking for a site for a retail outlet. etc.

This is why you see so many marketing documents how the marketer uses this fact in trying to overcome the resistance of inaction. There are many other ways you will think of in overcoming this resistance.

Features of your product or service such as how fast you deliver something, what color it is,, how it can be assembled are far less important to the buyer than benefits are to him.

The benefit of sitting on your new outdoor furniture, on your patio on a warm summer evening and enjoying a cool beer are far more important than the fact that this outdoor furniture is constructed of the finest material,, comes in four different colors, is delivered in 10 days and has a 30 day money back guaranty.

All you have to do is to watch the car commercials, of the manufacturers, not the dealers. What is the last time you have seen one that gives you much, if any information on the car. What do you see in many of these T.V. car commercials? Beautiful women, healthy looking young men, a beautiful sunset on the Pacific Ocean, and wonderful background music. The shiny new car, of course, is part of the scenery. But none of it really has anything to do with what a car provides, transportation, reliability, performance, etc.

There are many ways in which you can turn features into benefits by care-

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fully weaving it all together. The fact that this lawn furniture you are selling is delivered in just 10 days brings the benefit of sitting on it, on a summer evening.....so much faster to your buyer.

Making an Offer and Asking for the Order

It is a mistake to leave it up to the prospect to take action and when to take it. If you leave it up to your prospect what to do and when to do it you may never get the order. He will have many distractions after he puts your offer down. The more time goes by, the less likely he will send an order. So give him a reason to take action NOW. You have already told him why he will benefit by your product.

Your prospect already has decided that he needs what you are offering because of the great benefits to him. Now, give him a compelling reason why he should act, now.

Making the Various Pieces of Your Material Fit

Your sales letter, your brochure, etc. must fit. Since you want to do a better job than your competitor and this takes time and effort, chances are very good that whatever you create is worked on over a period of time.. The brochure may be created one week and the sales letter a few days later.. Make sure that it all fits and complements each other. Stick to your original outline which should be written down before you ever get started.

Some Final Thoughts

After it is all done give it one more review. Wait a couple of days and read it again. Then ask these questions: Is it directed to the prospect or is it about me. Is it of benefit to him? Am I making my strongest benefit. I think that is dead wrong.. Research indicates that the recipient of a direct mail piece takes about 8 seconds to decide whether to read on. So, give it your very best shot right at the start.

You are satisfied it is the best you can create. If you have come to that point it is important you get someone else confirm that for you. This should be someone who does not have a material interest in your offer.

When you create great marketing piece and it gets you the results which you planned for — more orders, more revenue and more profit— you will feel very good. Getting there is half as difficult as it may seem. All it takes is a little practice and a little more practice.

Wishing you success always.

21 Items Anyone Can Easily Sell By Mail

In order to make money by mail, you need to have something to sell which others will want to buy. Everyone makes money by selling something of value to someone else. Some folks are content to sell “a little of themselves” one hour at a time. Others want to work for themselves and sell their own products or services

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to others.

Those individuals who desire to make more than just a few bucks per hour need to have their own product or service to offer to the rest of the world. For those individuals, this presentation was prepared. With the information, suggestions, and information listed in this report, you could Price It, Advertise It and Sell It!

You see... most of the guesswork, trial and error has been removed. This report has 21 plans and suggestions. It is NOT meant to be the "last and final authority". It is more than enough to give you a good idea, to encourage you to get started and to begin receiving money in your mail box often. You'll learn more as you go along. You'll run across other offers and maybe some better deals. The best advice is: go slow, test and try every offer that appeals to you! See what works and what doesn't. Stay with the things that produce results.

So, To Begin With... What Can You Sell to Others by Mail?

If you have nothing, besides yourself and your time, it is quite simple to create something to sell to others or to offer to do something for someone else that they can't or won't do for themselves.

What follows are IDEAS and TESTED PLANS (by others) which you can begin to advertise and sell to others by MAIL ORDER!

1. A Circular Mailing Business.

Sample Ad:

FAST CIRCULAR MAILING 3x6 and 5x8..... 1 cent each 8-1/2x11..... 2 cents each 1000 8-1/2x 11..... \$15.00 Minimum (200 of each kind)

This is an inexpensive and easy way to begin. Offer to mail circulars (distribute them by mail) to prospective buyers. You charge a fee for this service, by asking for a set rate per week or per month or per sheet charge. (Write and request information from other advertised offers. Ask questions that you would like answers to on starting and operating this type of business. Know what is involved and know what you are doing before you begin.) If you advertise, let other companies know how much you charge to distribute their circulars.

2. Sell Packages of Mail Order Offers.

Sample ad:

QUALITY BIG MAIL! Packed with top mail order publications, discount ad rates, money making opportunities, dealership offers. FREE mailing list, FREE Big Mail Listing and much more. Everything rushed to you first-class mail for only \$2.00! Order Today!

This ad shows that one company usually charges \$2.00 for their Big Mail.

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You can offer a "BIG MAIL" for \$1.00 or \$2.00... Keep all the money and have this company fill your orders for free. Write the ones you like for details. Buy other "Big Mails". Offer your own for \$1.00. You make money both ways. Companies pay you to distribute their circulars... AND your customers pay you to be sent one.

Note: It is very strongly recommended that you first contact each company you are interested in doing business with prior to your placing any ads and offering any companies products to others by mail!

3. Operate a Commission Mailing Business

This is different from item 1 above, in that you are not paid a fee or collect any monies up front, to mail each circular. If you mail "Commission Circulars" for other companies, you agree to "take your cut" or commission from the orders received. This can be MUCH MORE profitable! A lot of Mail Order companies are willing to allow YOU to keep HALF the money from each order as your commission for getting the order. Usually each circular has a space for YOU to put your name on each one before you mail them out. Your name will be the only one on each. All orders will come to you. You keep your share of each order, forward the remainder onto the company that supplied that circular and they will (usually) forward the item direct to your customer for you, under your name. (This is called "dropshipping". For Mail Order sources, you place ads which ask for "Dealerships" from such companies or look for ads which ask for "Dealers Wanted".

4. Contact Sources to Sell Their Products

Sample ad:

Dealers Wanted. Moneymaking Plans & Ideas! Ideal home mailorder business. Up to 1300% profit. No inventory. We dropship. Send \$2.00 for 64-page catalog. Dealer details and wholesale prices. Satisfaction guaranteed. ACT TODAY!

An ad like this one, is placed by a Mail Order company who are seeking dealers to sell their products. Write them and ask for all necessary details.

5. Sell Money-Making, Mail Order Plans

Sample Ad:

\$10 Orders Filled Free! Easiest, most profitable mail order program yet. Get easy \$10 cash sales and keep all the money yourself. Don't wait - send now for free details now!! Rush SASE to:

Write and ask for Dealer details, or their sales aids for Commission Mailers. You may have to buy their book (or whatever they are selling) before you can offer it to others.

6. Purchase or Type Up Your Own and Sell Short Informative Reports.

Sample Ad:

FREE REPORT\$. 38 \$MONEY MAKER\$. Fill YOUR pockets with \$CASH\$, plus

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FREE reprint rights. Just a LSASE.

Besides selling a various list of suppliers, you can type up short, one to four page, reports on a multitude of subjects, like "Where to Get Free Advertising", "Big Profits - Selling Information", "How to Write Profit Pulling Sales Letters and Circulars". You can type up other reports that you create for greater profits. Get reports Printed; Advertise; Sell It!

7. Type Up, Print and Sell Your Own Booklet or Directory.

A booklet of several pages in length is no more difficult than typing up a few reports and stapling them together. Look at this short booklet: It is a model for how to do it. Have this "camera ready" booklet printed, (minimum 50 each) and sell it to others. (You can give copies away, hoping for sales later on, from your ads that appear in this booklet.) You can even sell copies to other dealers and let them sell it as their own. You can advertise and sell quantities direct.

8. Offer a Name Listing Service.

Advertise that you will send your customer's name to hundreds of other Mail Order companies. Charge a small fee for this service. Once you have a few hundred names of interested, paying customers, type up their names on sheets and have copies made. Advertise these as "Names of Prospective Customers". Mail Order Dealers and other companies will pay you 3 cents, current price or MORE for each name. Sell the same names to ALL who are willing to buy them. You get PAID to accumulate names and you get PAID when you sell the names. You make money from both ends. No way you can lose on this deal! Keep advertising your listing service (charge \$1 to \$3 to each person to list their name). This can be a "Money Maker"!!

9. Sell Names of Mail Order Buyers by Mail.

Sample Ad:

Mailing Lists. Opportunity Seekers. Fresh Daily. On Peel & Stick Labels. These "Hot Lists" really pull. Buy direct from the source.

If you have your own names of past customers, type their names and addresses on sheets of paper or on labels. Sell them for 3 cents to 6 cents each or current prices. Or buy names from others and sell their lists to your customers. It can make money for you.

10. Start a Club and Sell Memberships To It.

What kind of club? You can start any kind of club you want. A stamp club, cooking club, pen-pal club, a writers or readers club, coupon or discount club, you name it. Each new member joining pays a fee. List all members on a roster.

11. Issue a Monthly Bulletin or Club "Newsletter"

Once you have your club going, ask for contributions of notes and news from members, including you own. Put it in a Newsletter, sell subscriptions to it.

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Sell it to members, for a fair monthly or yearly fee, but realize a small profit from it. Sell ad space . Members can list their wants and needs in it and it will be read by all members.

12. Offer a Typing Service.

Many people don't know how to type or even have a typewriter. Charge so much per page... \$4 to \$6 or more for difficult copy. Type resumes, salesletters, college papers, reports, bulletins, circulars, instructions, copywriting, newsletters, etc. It must be sharp, clean and error free. Advertise your services in local papers and/or yellow pages.

13. Offer a Card Mailing Service.

Others may be too busy or too forgetful so you do their card mailing for them... For a Fee! Arrange in writing all details to mail their birthday, anniversary, Christmas cards, etc. for them each year. They supply the names and addresses, etc. Advertise it and let others know.

14. A Mail Forwarding Service.

Forward mail for other people. This is great if you live near some well known site. Others send you their cards and letters, you then remail them from your location, but charge them up front by the letter or a straight fee.

15. An Advice/Consultation Service.

People will be happy to pay some expert for their advice. Why give away your knowledge or wisdom? Charge people to hear your advice. This is accomplished in person, fact sheet, statistical sheet or by newsletter. Financial advice, investment advice, marriage help, crafts, building, planting and so many, many other topics. Everyone of us knows something that few others know. Charge people to learn it from you.

16. Re-writing or Ads and Sales-Circulars, etc.

A great many people don't know how to put their thoughts and ideas into simple, every day sentences. If you know how to string words together, sell that ability to others. Re-write their ads and circulars, letters or reports or whatever. Advertise it. Charge by the hour, per item or by the inch.

Note: Send LSASE means that the advertiser needs your help to get more details to you quicker. He wants you to send a long self-addressed stamped envelope along with your letter.

17. Make Money With Your Computer

Sample Ad:

HOW TO GET RICH with your Microcomputer. **SECRETS REVEALED.** No experience necessary. Potential tax break! Invest in **YOUR** future. **CASH IN ON THE \$100 BILLION COMPUTER INDUSTRY.** Order Book #XXXX.

Lots of people have their own computer and lots of people wish they could

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afford one. If you have one, rent it out, sell its abilities and make yours pay for itself. With local advertising and word of mouth you may find more work than you can handle. PLUS... receive a nice income doing something you enjoy. Visit your library or local book store for books or manuals regarding how to start up this type of business. Individuals, business persons, etc, need and will find your services very necessary.

18. Sell "Made to Order" Stamps by Mail.

Sample Ad:

RUBBER STAMPS. Made to order and stock rubber stamps. 3 lines \$2.25 ppd. Additional lines 50 cents each. Signature stamps \$7.00 ppd. 25 unmounted 1 line stamps \$5.50 ppd. Catalog 50 cents.

This is a VERY needed and popular item to sell by mail. The cost is low and you make a nice profit per sale. Read and study ads you'll always find in Mail Order publications. Send for their rates along with a letter asking for ways on how to get started in this type of business.

"PPd." means the advertiser will pay all additional postage or shipping costs... And that you need not send along any extra to pay postage.

19. Sell Labels and Stickers by Mail

Sample Ad:

DESIGN LABELS. Designs created for product labels, stickers. Free details.

Again, your need to contact sources and ask for dealer details or sales aids for commission agents. Some may not want or need dealers. Some who advertise may not be the source. They may be another dealer of the source. Write and ask.

20. Start/Operate a Profitable Newsletter Home Business.

Join the smart ones who presently write simple or sophisticated styled NEWSLETTERS. If you do possess GOOD IDEA, VALUABLE ADVICE, OPTIONS OR INFORMATION or have access to any one of these, you will find that this is all that is really needed to get you started in selling valuable information that thousands of people are looking for, and profit handsomely while doing so. Thousands of newsletters are being published covering almost any subject you can imagine. EVEN YOURS.

21. Selling Recipes.

Pick out one or several of your very best recipes. Ask Grandma or Mom to write down their very own original delicious creations. Whether from city, farm or the "old country" these unique recipes can be sold through classified ads. Pin money or big money, it's there waiting for you.

25 Steps For Building A Successful Mail Order Business

1. Read all you can on the subject of "Mail Order Selling" and apply this

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knowledge to building your Mail Order business.

2. At first start slowly on a part time basis until you begin to make money. Then, expand your business until you have made enough money to go full time.

3. Be willing to stick-to-it and give yourself enough time for a good chance to begin making money regardless of past setbacks or failures.

4. Purchase printed stationary, labels, rubber stamps and a quality postal scale, typewriter, etc. for professional appearances.

5. Plan your area you'll be operating from so you have everything in easy reach. This makes operating, mailing, etc. easier and faster.

6. Build your business around all types of money making plans; read about dealership offers, dealer supplies, advertising and all types of books and information to bring the most profits for your efforts. Weed out non-producing offers. Keep up on what's new, give customers the best choices.

7. Choose a product or service that appeals to you and is in demand. A good way to see what's selling is to get listed on several of the Big Mails Wanted Lists for several months.

8. Check out sources of printed material. Get reprint rights if you can to assure a constant supply to fill orders.

9. If source is a drop-shipper, make certain you can be assured orders will be shipped and on time.

10. Offer customers a choice of related items listed and priced in your sales letter or circular.

11. Offer customers a money back guarantee on items not special order or customized.

12. Use only good quality printed material. Your material (and all of your products) reflects directly upon you as a business person.

13. Always KEY your material and advertising. Keep a record of which is selling and which is not so you can make adjustments.

14. In your ads, use Free Information. Details for a LSASE (Large Self Addressed Stamped Envelope) etc. to sell offers. Never ask for more than a dollar or two from your 1" or 2" display or classified ads.

15. Place as many ads in different Mail Order publications as you can with circulations of at least 2000 and up.

16. Change publications to reach as many prospects as you can.

17. Use ideas from suppliers advertising. These ads are produced by professional ad writers that know how to get orders.

18. Don't write any advertising until you have studied everything you can on the subject. Gather, study and learn from other dealers' ads.

19. Don't hesitate to use professional help (if necessary) to write ads for

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your offers until such time as you feel you can write ads to test and see if you get orders.

20. Many times a "cover letter" (sales letter) sent along with order form and/or circular for offers that cost \$5.00 and up will pull more orders (See #19).

21. Place your advertising in publications that are read by people that can relate to and may want or need what you have to offer.

22. Use a bulk mailing permit when mailings reach over 250. Try asking for a first class stamp for free details.

23. Ship orders promptly, within 15 days minimum. Always use correct postage amount.

24. Inform customers if their order will be delayed beyond 15 days.

25. Be an HONEST DEALER and abide by all Postal Regulations. You must never argue with a customer if a refund is requested and refund it promptly.

What Really Sells In The Mail Order Magazines

You can only make money with the Mail Order Magazines if you understand exactly WHO reads them. The Mail Order Magazines are trade papers read almost exclusively by Mail Order Dealers or by Opportunity Seekers, who are in reality aspiring Mail Order Dealers. They will only buy merchandise that will help them in the operation of a Mail Order Business.

It is almost always a waste of money to advertise merchandise which is intended for general consumption in the Mail Order Magazines... unless you are offering it on a wholesale or drop-ship basis.

Below is a brief description of 22 products or services that can be sold successfully through the Mail Order Magazines.

1. RUBBER STAMPS - Every Mail Order Dealer purchases at least one name and address rubber stamp. He also purchases "stock stamps" with slogans such as "Big Mails Wanted", "Commission Circulars Wanted", "Third Class Mail", "Your Ad Solicited", etc. Rubber stamps sell well in the Mail Order magazines because dealers use them in the conduct of their business.

2. MAILING LISTS - Mail Order Dealers constantly buy mailing lists of the ever present Opportunity Seekers, New Mothers, Book Buyers, Gift Buyers, etc. You can sell mailing lists on plain paper or gummed labels. Naturally you can charge more for the lists on gummed labels.

3. BIG MAILS - Anyone who regularly advertises "Big Mails" in the Mail Order magazines will get orders for them. Big Mails consists of envelopes full of Mail Order Magazines, Adsheets and circulars of every imaginable kind. The "Big Mail Order Dealer" earns his profit by selling a variety of sizes of ad space and subscriptions in the publications which he co-publishes. He also makes money from

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the items offered on the circulars which he includes in his big mails.

4. **CIRCULAR MAILING SERVICE** - Set up an efficient, and a good dependable mailing service so that dealers can get their circulars into the hands of real Mail Order buyers, advertise it regularly in the Mail Order Magazines. and you will soon have all the circular mailing business you can possibly handle.

5. **PRINTING** - Every mail order dealer buys printing. He buys envelopes, sales letters, circulars, booklets, catalogs, adsheets, brochures, price lists, letterheads, mail order magazines and a thousand other things. If you do mimeographing, letter press or offset printing, advertise your service in the mail order magazines. It is probably the mail order magazines' Number One All-Time Profit Maker.

6. **INFORMATION FOLIOS** - Mail order dealers will always buy information that will help them succeed in the mail order business. Folios that deal with any practical aspect of mail order selling can be sold through the mail order magazines. If you have produced your own folio and are willing to drop-ship orders for other dealers you will definitely make money.

7. **DROP-SHIP AND WHOLESALE OFFERS** - If you have a large stock of merchandise which is suitable for mail order sales, and are willing to supply it on a drop-ship (single order at wholesale prices) or on a wholesale basis, then you should advertise in the Mail Order Magazines. Dealers are constantly looking for new products to sell by mail. If you plan to sell on a wholesale basis only, you should offer your product in very small wholesale lots, if possible. Most Mail Order Dealers are part-timers and do not have vast sums of money to invest in untested merchandise.

8. **SAMPLE COPIES OF MAIL ORDER MAGAZINES** - Mail order dealers have a very insatiable appetite for new mail trade magazines, which is why hundreds of them come into existence and then disappear every year. If you publish or co-publish a mail order magazine, advertise sample copies of it in other publications and you will get requests for it.

Regard your sample copy as a "leader item" or as a "good will builder". It should be your way of getting your other offers into the hands of a very many prospective mail order buyers. You will probably sell some ads, but do not expect to sell too many subscriptions. Except for a few of the leading publications, very few people subscribe to mail order magazines.

9. **GUMMED LABELS** - Labels of any kind are "naturals" for many of the Mail Order Magazines. (Name and address labels, shipping labels, addressing labels, slogan labels, etc.)

10. **NAME LISTING SERVICE** - Whether he admits it or not, most every mail order dealer is a "Big Mail Addict". If you compile mailing lists and work with another dealer who does, dealers will pay to put their names on the lists. You can advertise you name listing service in any mail order magazine and get orders for it.

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11. COMMISSION CIRCULARS - There are circular mailers who watch every issue of every mail order magazine, always looking for new sources of commission circulars. There is no better way to advertise commission circulars than by placing ads in the mail order magazines.

12. COPY WRITING SERVICE - If you have a natural flair for writing ads, sales letters and circulars... and if you have a good basic knowledge of mail order selling, you can sell your services through many of the better mail order magazines. There are very few good mail order copy writers at present. Here is a very basic need... can you fill it?

13. AD DESIGN - Another service which is greatly in demand, the commercial artist who can create eye-catching ads and circulars which dealers can use to sell their products. There are only a few dealers who are now offering this service, but there is room for a dozen or so.

14. TYPESETTING - Most mail order printers and magazines now require "camera-ready" copy. This has created a big demand for dealers who offer a quality, reasonably price typesetting service. At present there are dealers who do mail order typesetting that have so much business they don't even bother to advertise..

Related to typesetting, are the "clip-art" books which are used by dealers who prepare their own "camera-ready" copy... Right now as always, you'll find clip-art books advertised in mail order publications.

15. PEN PAL, LONELY HEARTS MAGAZINES - For some reason, you will find that the mail order magazines have always been good places to sell these types of publications. It may be because they are the only kinds of magazines, other than the mail order magazines that are co-publishable.

Most mail order magazines will accept ads for legitimate matrimonial and pen pal magazines; however, very few will accept any "adults only" ads. Too many readers object and some mail order dealers are minors.

16. HOBBY MAGAZINES - You can sell almost any kind of hobby publications through the mail order magazines. This is because many dealers handle hobby merchandise and are always looking for new ways to sell it. Many dealers and readers are hobbyists and collectors themselves.

17. FORMULAS - Dealers buy formulas for two reasons. Some dealers reprint the formula and sell it by running ads in national publications. ("Sure way to kill cockroaches", etc.) Some even manufacture the product itself and sell it by mail.

Closely related to formula selling is recipes selling. If you can create new recipes or have exceptional ones, you advertise and sell recipes over and over again.

18. CATALOGS - If you can produce low cost catalogs which dealers can

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mail to their customers offering books, novelties, gift items, baby merchandise, printed forms, etc., you would be well advised to offer your services in the mail order magazines.

19. UNPRINTED DEALERS MERCHANDISE - If you can supply merchandise which the dealer can use in his mail order business, at bargain prices, you can sell it profitably in the mail order magazines. Examples: unprinted envelopes, typewriter ribbons, addressing labels, stencils, scratch pads, etc. There are a few successful dealers who even sell large, bulky items like typewriters, mimeograph machines, file cabinets, paper cutters, and printing presses by mail.

20. AD SPACE - Every mail order dealer buys ad space. If you publish or co-publish a mail order magazine, tabloid or adsheet, you can sell ad space by advertising it in other mail order magazines.

21. ADS TO RUN UNDER YOUR OWN NAME - Can you supply ready-made ad copies which other dealers can run under their own names and fill their orders on a drop ship basis? If so, print up your ads and sell them through the mail order magazines. If you can supply "camera ready" ads and circulars, so much the better!

22. MAIL ORDER PLANS - Opportunity seekers are always looking for new mail order plans. If you have some practical legitimate workable plans that others can use to make money by mail, print them up and advertise them in the mail order magazines.

You will find that 99% of all the ads in the mail order magazines fall into one of the categories listed above. If you are selling a product or service that fits into one of these categories, you can safely advertise it in the mail order magazines.

Mail Order Money Making Plans And Ideas!

16 All-Profit Ads and Their Information Sheet

Run any of the following ads over your name in any publication, adsheet or circular. When the orders come in, send the customer the answer shown, or just circle the answer on one of these information sheets and mail it to them. (This gives them the rest of the ads and answers free as a bonus).

You can have your local printer print a batch of these sheets in volume, or just have a few copies made as needed to fill each order, using this sheet of the original camera-ready copy. Or these sheets may be obtained from Prime Publishers, 1460 Boulder Ave., Crescent City, CA 95531 for \$4.00 per 100 sets, pre-paid to you!

Ad 1: "How to sell your old telephone book for 50 cents a page! Information \$1.00."

Answer: Run the next ad (ad 2, below) over your name and fill the order

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yourself with the pages from your own telephone book.

Ad 2: "A page from my telephone book with names & addresses! 50 cents."

Answer: Fill the order yourself with your telephone book!

Ad 3: "One inch all-profit ads and the information they sell, Only \$1.00!"

Answer: Fill the order with one of these adsheets.

Ad 4: "How to get swamped with orders for your Big Mail! Information \$1.00."

Answer: Run the next ad (ad 5) over your name and address.

Ad 5: "16 All-Profit ads free in my big mail. Rush this ad and \$1.00."

Answer: Slip one of these sheets in your Big Mail and mail it to them.

Ad 6: "Gross \$100.00 from a \$4.00 investment. Information \$1.00!"

Answer: Send \$4.00 to Prime Publishers, 1460 Boulder Ave., Crescent City, CA 95531 and ask for 100 of these all-profit ads and answer sheets (100 prepaid to you for \$4.00). Sell them for \$1.00 each!

Ad 7: "Start your own "Turn Key" Mailorder Business! Rush \$1.00 for information!"

Answer: Write to (place your name and address here if you have "Turn Key" mail order plans or programs to offer) for free information on their "Turn Key" mailorder programs. Send them the full information about your programs OR, if you have none available, send them one of these sheets.

Ad 8: "Name of a firm who will put you in business for only \$4.00. Rush \$1.00!"

Answer: If you can put them in business with one of your programs for \$4.00, or convert this ad and answer sheet to a \$4.00 program for them, place your name and address here. (As mentioned above, you can always refer them to the name and address of Prime Publishers if necessary).

Ad 9: "16 ads you can run over your name and keep all the money. Full information for only \$1.00!"

Ad 10: "Stuff 100 envelopes and Gross \$100.00. Rush \$1.00!"

Ad 11: "How would you like to receive 100 letters a day, containing \$1.00 in each one?"

Answers to ads 9, 10, 11: Fill orders with one of these adsheets. (You can have your local printer make as many copies as you need" or you can get them from Prime Publishers at \$4.00 per hundred sets.)

Ad 12: "100 Circulars mailed with ours in our big mail. \$4.00!"

Ad 13: "Letters remailed 75 cents each."

Answers to ads 12 and 13: Perform the above two services yourself.

Ad 14: "How to Destroy the desire for cigarettes. Completely tested, proven... \$2.00."

Answer: Before breakfast take 1/2 teaspoon each, of Rochelle Salts and

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Cream of tartar. Also chewing Ginseng root and swallowing the juice helps.

Ad 15: "How to destroy the desire for liquor... Tested and proven... \$2.00!"

Answer: Mix Gold thread herb with Golden Seal in tea. This creates a violent distaste for alcohol. Grains of spices added to liquids helps also.

Ad 16: "How to get free postage for life. Details \$2.00!"

Answer: Advertise a good pulling mail order plan and at the end of the Ad put "Rush \$1.00 and one or two first class stamps."

Save! Have your printer fit these 16 ads and answers on one Sheet!

Profits in Direct Mail

Due to the continuing increase in postage rates, many mailorder beginners, and some of the old timers have called it quits. They believe postage costs together with soaring advertising rates have made it unlikely that a reasonable profit can be made in the direct mail business.

To deliver a sales message to your prospects through the mail is really no different than it was before the increases. Everything else has increased, perhaps not proportionately, but enough to offset the over-all increase in the total direct mail packet. With some of the competition dropping out, it leaves that much more market for the operator who wants to make money in this field.

The direct mail packet usually consists of a "Personal" sales letter, a circular or flyer, an order form and a return envelope. It is an offering of specific merchandise, service, or coupons to specific mailing lists. The lists include only qualified prospects for your offer so there should be a good response if you have done your homework on the mailing packet.

Direct mail provides all the space you need to influence your prospect through use of the letter and circular. In working up the direct mail packet, it is important to lay out your entire story properly at the most reasonable mailing cost. By using third class when necessary for larger mailings and by planning the weight of your message to fit the maximum weight class you can save a great deal over a period of time.

Direct mail is an expensive method and you should test with a series of small mailings to determine the efficiency of your mailing offer before proceeding with an all out campaign.

In order to properly record the results of your direct mail offer, you must key your mailings so you know which ones are getting the response. This can best be done by using a different "Dept. number" on the order form, by a different color, or a different marking for each test mailed out.

Compute the results as a percentage of sales dollars or by the number of sales per number mailed. In analyzing the results of your tests, you must take into account the quantity mailed, the dates comparable offers were sent out, the kind

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of merchandise or services being offered, the general area of the country covered and other variances in the same or different programs.

How to Get Best Results With a Short Advertising Method!

A well written sales letter generally draws more response than the best brochure.

The personal touch is the important difference.

Direct your letter to the person and concentrate on the word "YOU"!

Present the product to the prospect as if he already owns it.

Let the prospects know the best points, in no uncertain terms, so they will understand fully what your product will do for them.

You can't sell it unless you have confidence in your product and if you have confidence in it you can give it a full 100% guarantee. In mailorder you should never offer anything unless you can offer a full money-back guarantee!

As with any other selling method or advertising technique, the letter must close by telling your prospect How, When and Where to order the product and must **ASK HIM TO ACT RIGHT NOW!**

Perpetual Money-Making Circular Program!

They continue to come! The endless "money-making bonanzas"! Now there's the one called "Perpetual Circular Program", supposedly an endless money-making system where everyone wins. This "typical" plan consists of a list of 10 names, numbered from 1 to 10, indicating what each has to sell and their address.

In order to join the "Perpetual Circular Program", you send 50 cents to each of the individuals listed, plus a large self addressed stamped envelope, which will be returned to you with their advertised offer. Then cross off the name in the number 1 position and re-number the list 1 through 10, adding your name in the number 10 position. (Sound familiar).

Next you are supposed to re-type the list and print at least 100 copies. Send a copy to each of the ten names (advertisers) and the remaining copies to names of your choice, by mail or in person.

In turn, these businesses are supposed to do the same, and as your name moves from the #10 position to the #1 spot, they state that you could receive up to 12,000,000 requests. Assuming a 5% return from all the mailers, you would receive \$240,000 based on 30 cents profit per request??!

By keeping the advertisers at ten, to ensure growth, they think the ads seem reasonable, at least less speculative than lotteries or fluctuating investments.

Also, to help ensure continuation of the "Perpetual Mailorder circular" you can print your own mailorder ads on the back.. Another way to get your ads to new sources.

Even though this plan may first appear to be merely an advertising pro-

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gram wherein you receive full value for you \$5.00 (50 cents x 10), it is a pyramid scheme dependent on continued participation in order to produce the results it dictates. Therefore, it appears to be no more than just another of the endless illegal chain letter schemes that all of those who have been in the mailorder business for a short time receive every day of the year.

However, you can always check out this type of plan with your local postmaster. If it should happen to be legal it could be a good money-making proposition. Your postmaster may tell you that it is illegal, even though he probably doesn't take the time to really check it out properly.

If programs similar to this are illegal, or even if they appear to be against the law, don't touch them. These kinds of propositions never produce any money anyway. They only cost the participants' time and money, and could cost a lot more in the event the postal authorities follow through and prosecute.

Keep Your Offer Out of File 13

The best way to keep your mailing offer out of the trash can is to mail it to the right prospect. If you are offering How-to-do-it reports don't send the offer to a list of novel buyers.

A large percent of all mail is thrown away unopened. Most all of us in the mailorder business appreciate "Junk Mail" as it adds to our knowledge and learning process. This is not the case for the majority of the rest of the populace. The first thing they look at is the return name and address unless there is something else on the outside of the envelope that attracts their attention. When they see it's nothing to do with their business or their personal interests, it will either get a casual glance inside before disposal or go direct to "file 13" without even being opened.

If your offer is such that you can place some effective "teaser" copy on the outside of the envelope it will be the first thing they notice and will be an incentive to see what is inside. However if there is too much detail on the outside they may think they have seen all the message so why waste their time reading the enclosures. there must be the right balance.

When they do open the envelope the first thing many of them look at is the order form to determine the price and what they will get for their money. Consequently it is of utmost importance the wording and/or illustrations on the order form be properly laid out and attractive to the eye.

When preparing your marketing plan and mailorder packet, spend sufficient time to work up several different attractive, but brief messages to place on the outside of the envelope. Make tests and "flood the market" with the ones that pull!

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What You Need to Know About Mail Fraud!

When the mails are used to intentionally misrepresent a product or service it constitutes Mail Fraud. The U.S. Postal Inspection Service is charged with investigating violations of the law, usually in response to consumer complaints.

The best way to protect yourself from mail fraud is to recognize that it is a fraud and not become involved. This is not easy to do because of the attractive wording in the deceptive ads. Anything that sounds too good to believe is suspect. Medical formulas and gadgets that make “insane” promises are probably “insane” and you should stay away from them. Especially be cautious regarding some of the thousands of different weight loss products and overnight cures.

Never purchase land through a mailorder ad unless you or your personal representative has seen the land, to determine if it is as represented and that the value is there. If the sales person has shown you the property report you can cancel your purchase agreement within seven days. If no report was shown to you before signing an agreement you have the right to cancel out within two years.

There are a number of insurance frauds floating through the mails. Requests to sign blank insurance forms, last chance bargain offers, payments in advance and cash payment requirements could indicate con artists at work.

Of course, most everyone has received chain letters sometime in their lifetime and if you are in the mailorder business you should get several every day as a minimum. Chain letters are illegal and do not work anyway. Need we say more?

We’ve all seen the ads offering job placement and job opportunities. Most of them are legitimate but some are 100% nonexistent or complete misrepresentations. Don’t spend your money for the required fee until you have checked with your local consumer affairs office or Better Business Bureau.

Then there are those who promise huge profits without risk in commodities, stocks, oil, gold, silver or coins, through the mail or over the telephone.

There are hundreds of very fine investment opportunities offered but you can’t risk your hard earned cash, or in some cases people have lost their life savings, to mail order or telephone swindlers.

Several of the larger, well recognized firms have gone bankrupt through internal fraud and management manipulations carrying their client’s investments right down the drain with them. Always use caution and investigate the company thoroughly before you put up one dime.

Another favorite of the crooks is home improvements. Quite often you never see them after you sign a contract and pay them a deposit to do the work. If they send brochures through the mail and the work they perform is not as represented by the information it could constitute mail fraud. Get estimates from local service companies to determine if the price of the mailorder offering is reasonable and in line. Check the reference of the organization.

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The laws, regulations and paperwork involved in setting up franchise operations are horrendous. Various large distributorships are equally difficult to establish but generally do not have to conform to near as many controls and regulation.

On the other hand, some mail order distributorships and wholesale outlets require very little effort and the home company has little control over their activities.

If profits promised are unrealistic or if the product or service is secondary to selling the franchise or distributorship, proceed with caution!

How to Make \$100 Mailing 100 Envelopes By Using the Exchange Mailing Plan!

Regarding this plan they have been telling you to have 5,000 3x6 commission circulars printed, the circulars offering \$1.00 items and paying 50% commission on every order received. Then mail 100 each to 50 "Exchange Mailers" in 50 envelopes marked X-100SY (which means Exchange 100-Send yours). When you receive 100 circulars from each of the exchange mailers, mail out one each in 50 envelopes. This way 100 envelopes mails your 5,000 circulars. If you have a good circular offering a popular seller, and the exchange mailers you sent yours too, are honest and dependable, you should receive at least a 2% return. Then they state that this plan will bring \$50 profit.

This is the complete plan and they say it works. That it is working every day for many mailers and that it will work for you!

I have no doubt that it works; however the \$50 profit they mention is Gross Profit before any expenses. Figure it up. By the time you purchase the printing, the envelopes and the stamps, your expenses will leave you little if any Net Profit.

Of course, if the exchange mailers send you top pulling circulars for their "fast selling products" and you receive 50% or more commission on orders from these, you can make a substantial Net Profit, perhaps enough to pay for your time and effort.

If you are serious about making money at home, commission mailing is one way to do it, but you must have circulars that offer top selling items. In this day and age of inflation and high postage costs it is difficult to make a buck by mailing circulars selling only \$1.00 products. You should have a very minimum selling price of from \$5.00 to \$8.00 in order to pay you a reasonable amount!

For just the postage and handling, many mail order firms will send you commission circulars and the names of other mail order dealers who will send you all the names you want, FREE! There are other dealers who are happy to send you their circulars without cost in order to defray their mailing expenses. All you have to do is write and request their circulars or place a small display ad in various mailorder advertisers and ad sheets indicating that you mail good commission

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circulars free!

You can get the names of a number of printers in the mailorder business who print commission circulars for a very reasonable fee. I would suggest that you order 6,000 3x6 circulars rather than 5,000 as suggested on the prior page for the simple reason most printers like to keep their printing formats and price schedules in round figures and 6,000 3x6's (approximately 2-3/4x5-1/2, not actually 3x6) will fit on 1,000 sheets of the standard size 8-1/2x11 paper.

If you handle your commission programs on a conservative basis until you have tested and proven the value of each program, you can very well make \$100+ by mailing 200 envelopes with an exchange mailing plan!

How to Set Up Your Own Mail Order Distributorship!

When you have developed, or found, mailorder products over which you have exclusive ownership or control, you may want to consider selling through agents, wholesalers or dealers. If you go this route you should limit the number of agents and not spread your program across the country for just anyone to enter. A few good agents distributing your product without "flooding the Market" will keep them working enthusiastically and generally make more money for them and you both.

When you advertise for distributors explain the exclusive features of your products and programs and how you support them 100%

You need to develop good marketing programs for your associates, using the same general principles for the mail order business as used in any other kind of business enterprise.

Before you start recruiting associates or salespeople, prepare a realistic packet of instructional and promotional materials, including marketing plans, camera ready circulars, photos, sample ads, sales letters and stationery, order forms and whatever else is needed to make your program a winner. Make it simple so it will fit in with other offers your distributors are involved with and can be handled efficiently with little or no additional shipping or postage costs for them.

Make your prospect a distributor upon receipt of the first order and send out the packet with an exclusive number assigned to each one to be used on all orders and correspondence. Keep in contact with all your distributors by sending out information bulletins or newsletters announcing new products and promotional data. Build a drop-ship arrangement into your programs but try to get the distributors to carry a reasonable inventory. Give them special discounts, etc., as incentives to stock more of your products.

How to Be the Prime Source!

Information can well be one of the most profitable items in mailorder. Gathering and writing information can be one of the easiest ways to enter the field. There can be many variations by using merchandise and/or circulars of other

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dealers, but to actually make a big profit without including the middleman, one must compile and write his own.

A lot of thought should be given the subject before attempting the writing project. Never try to move to fast thinking you will get rich overnight. This is simply unrealistic. There are a certain few who try to make it by cheating the public but the law will eventually catch up with them. If you are honestly sincere about writing, then set out to get the job done in an orderly and honest way.

You will have to spend money to pick up enough information to begin your writing project. You will have to devote much time and research in order to get started and must continue to write most every day in order to make reasonable progress.

The best kind of information to write about is that which helps others with information and advice on how to do certain things. Acquire all the information possible concerning your desired subject and study it well. You will always have the possibility to make a hit with a new idea. A good report can bring you literally thousands of dollars, even more than the big time literary and novel writers in some instances.

The U.S. Government is a good source for certain kinds of information. They have a list of over 30,000 different subjects available for a reasonable price and some are free. You can write to the Superintendent of Documents, U.S. Printing Office, Washington, DC and request to be placed on their mailing list.

Get started writing right now!

Money in "Big Mail"!

The amount of money you make with Big Mail depends primarily on how your programs are handled and on the materials you make available for the Big Mail Packet!

Unless you have a number of your own offers to include in the packet, to get started you may have to re-mail some of the big mail you receive from other dealers. They won't mind... If you are not buying perhaps your customer will. It is much better for them than to have it wind up in your file "13".

To get the Big Mails coming in, you will have to promote to the effect you are a professional mailer and for a reasonable fee will mail circulars, ad sheets, etc, to the inner circle, outer circle or both, depending on the best route for a particular offer. You can stuff many offers in a packet weighing just a few ounces.

A certain amount of free mailing of commission circulars which offer good selling products can also enhance your operation by keeping your inventory of "BIG MAIL" offers sufficient to fill demand.

On the outgoing side, promote the fact you have "thousands of offers" from "hundreds of dealers" available for a small fee (assuming, of course, this is fact). This is better than using the over-worked words "BIG MAIL".

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Include your own offers with all the outgoing packets. Get 100% value for the high postage costs. Fill them right to the weight limit!

Name List Analysis!

As to name lists offered by the supplier or dealer... again the questions flow. What is the source of the list? Why doesn't the Prime source supplier hire a "mailorder crew", use the total list and make all the sales themselves? Does the Prime Source Supplier purchase the list from another source then sell it to you at a profit?

Unless the firm has built substantial name lists, perhaps through the sale of other related products, they must buy their names from list brokers or from other firms.

If they are buying names in volume lots, perhaps in the millions, they are entitled to substantial discounts and may even be able to offer such lists to their dealers at less than the dealer could buy direct from the same broker. In this event, certainly, they are entitled to a reasonable profit on the list resold.

It is unlikely that a substantial supplier would jeopardize the goodwill of his dealers or consumers by extensive multiple sale of name lists.

As to hiring a separate "Mailorder crew", in effect, that is what the supplier is already doing in making his offer to dealers across the country... Except the supplier has the advantage whereby the dealers are independent contractors and as such, the supplier has no payroll taxes and payroll expenses involved. Promotion and sale of their products are thus handled by experienced mailorder dealers throughout the nation, without delay and in great volume!

How to Make It in the Mailorder Wholesale Book Business!

The real profit in selling books by mail is by having dealers sell for you. Rather than mailing out thousands of your own mailing packets, at today's high postage cost, get hundreds of thousands mailed out through your own dealers. This can generate steady orders and profits and is one of the secrets to a successful mail order book business.

There are a number of Prime source mail order firms offering good mail order distributorships. They offer high quality books, reports and folios that appeal to the public; the kind of publications that have generated consistently high profits in the mailorder business. You should give wholesale book selling a try. Recognize the profit potential and determine if this method fits in with your other programs.

Most of the better Prime Source firms offering distributorships have a simplified program which includes instructions, profit tested literature, sales letters, brochures, order forms and return envelopes that do the selling job for you. The simple instructions can be followed even by the inexperienced person. The old

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timers in mailorder can use the wholesale book selling programs to supplement their other projects, in many instances combining book selling with their other mailing activities with very little added expense.

Imprinted sales literature, to solicit dealers and for the dealers to use in selling to the consumer, is furnished at reasonable prices; or camera ready copy is usually available so that the printing can be done locally. The literature for dealers is priced a little higher than cost to pay for processing the order.

The Prime Source will ship your customers' orders for literature, brochures, etc., under your shipping label. They will also drop-ship the books and publications direct to your dealers, using your name or label.

Your wholesale cost for publications will vary depending on whether you have the Prime Source drop-ship direct to your dealers, or in quantity to your place of business. The amount you charge your dealers will also vary depending on drop-ship services or quantify purchases. You, as the wholesaler, should make every effort to purchase the publications for a minimum of four times below retail price.

In other words, you purchase 100 booklets for \$1 each = \$100; you sell to your dealers at \$2 each = \$200; your dealer must realize at least double his cost when selling to the consumer, or \$4 each = \$400

You must ascertain that the Prime Source carries sufficient inventory with a number of different titles and that titles may be assorted in making up quantity when you purchase in volume. Determine if shipments are made promptly and if the Prime Source pays all handling and shipping charges so that your cost is "Net". Even though your cost is "Net", you must pay for shipping to your dealers; they must absorb the cost of mailing to their customers.

The price you have to pay the Prime Source often is the determining factor in the success of your program. If the book retails at a price too low, considering the high postage and mailing costs, no profit can be realized by your dealer, nor by yourself, unless orders are limited to a minimum number of titles for each total purchase. Be certain that the program offered by the Prime Source allows sufficient margin to pay for all your costs, and your dealers, while generating a fair profit for you both.

To find the right programs for your operation write to a number of firms offering book selling wholesale programs. These can be found in any of the hundreds of mailorder adsheets, magazines and publications available today. (Some call it "Junk Mail" but if they only knew the money-making potential of the right program, "Gold Mail" would be more appropriate).

Get their literature, then order a minimum starting packet of the programs that interest you and fit in with your mailorder business schedule. Make tests to prove the value of each program. Drop those that do not prove out after a reason-

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able test. When you find one that is “Hitting”, multiply it cautiously until you know it is a winner, then go full blast in every direction to make it pay off BIG!

The Best Books to Sell by Mail!

Best books to sell by mail? First, forget about fiction! These can be purchased at most any store on the corner, found at the library, or bought through the large mail order book clubs. Scientific, technical, and textbooks are other categories to stay away from. All others have good mailorder potential. There is a broad market on religious books, especially those dealing with “End Times”. However, most books in this classification are controlled by the various church outlets.

Self help and do-it-yourself books are best for newcomers. Sex books are one of the most profitable fields of selling books by mail. Repeat orders are high, but so is the penalty if state or local laws are broken. The publisher does not advocate selling this kind of material as one can make a fortune without resorting to what is or could be considered immoral.

Mystic and metaphysical books are more or less a specialized field and generally the demand is not large. Health and recreation books have a steady market, but they are mostly tied up by firms in the catalog business.

To start in the book selling business, first get sample books of the ones you think you would like to sell. Get mailing lists of book buyers and opportunity seekers; start advertising for inquiries rather than first trying to sell the books direct through the mail. It's tough to sell without proper literature. Direct mail packets to follow-up the inquiry are the preferable and more profitable method.

Choose the type of books that interest you the most. You can better enjoy and promote things you like. Keep card records for each of your customers. Above all guarantee satisfaction and back it up with prompt and courteous refund policies.

How to Sell Short Reports!

Several dealers give you permission to reproduce their various short reports and sales letters. You will often find some of these reports sell equally well direct to the consumer, beginners in mailorder, and to the seasoned dealers. Here are a few ways to make the most money with them:

1. Have circulars printed, listing the reports by title, selling them for \$1 each, or say 5 for \$3. Include a circular in all outgoing packages and letters.
2. Place small ads in mailorder trade magazines similar to the following:
Why pay when you can get it free: Sources of Free Mailing Lists \$1.00; Sources of Free Commission Circulars \$1.00; How to get Cirx. Mailed Free \$1.00 (Your name and address here)

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3. Reproduce sales letters that sell your reports, including reproduction rights, inserting your name as the Prime Source. Mail this sales letter to your own list or one that you purchase.

4. Place small classified ads in national mailorder magazines and send the sales letters to the inquiries. A good ad for this purpose follows:

2000% Profit, selling information by mail. Free report tells how. Send SASE (your name and address)

5. Some of these reports will sell quite well from small classified and space ads. The best way to use this method is to offer a single report for \$1.00 then fill the order with the report plus the sales letter which offers all of the reports and reproduction rights. Here is a typical classified ad:

HOW TO make \$100 a day. Complete instructions! \$1.00

In addition to giving you a small profit, these reports are designed to build up your mailing list. Generally speaking, because the reports are so cheap to produce, you can offer them free just to get fresh names in exchange. There is no need to have a large quantity of them printed up until you develop a feel for the best sellers for your operation.

The firms who initially sell these products to you usually offer to print up the reports and letters for a fee; or for those who don't want to stock the reports, they will generally drop-ship direct to your customer for 50% upon receipt of an address label and information on what reports to ship.

How to Get and Sell Name Lists!

There are numerous methods of obtaining and selling name lists. If you want to prepare a national directory of mail order operators, how do you get the listings? One way is to advertise that you are creating such a directory and will list them therein upon receiving their name and address, together with a brief description of their operations and activity.

Sell the directories by mailorder or by direct mail, nation wide, offering them at half price to those listed therein.

You can advertise that for xxx dollars you will circulate customers names and addresses to firms eager to send them offers and programs... Sell the name lists to other dealers and firms who in turn will mail out offers to the list of customers... This will save money for the person wanting the offers, supply the name list buyers with customers, and put money in your pocket from both ends!

Here is another way to obtain name lists for nothing! An ad such as:

Big Mail? Send 200 of your address labels and \$3.00. We will distribute to mail order dealers, wholesalers, distributors, etc.!

AND of course... You will be accumulating name lists from your big mail activities and from many of your other programs... The names you compile as

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your business progresses are very valuable. You have customers for future mailing and can also sell or rent name lists to other mail order dealers. Retain the original envelopes received so that you will have proof of names, dates, addresses, etc.

Many list brokers across the nation have lists available for rent or sale. These lists cover every imaginable classification of potential customers for your various offers.

You should start with only a small test list to determine if it is profitable. If it tests out reasonably well, then order a larger number of the same list. If this still proves out and the orders are pouring in with enough volume to cover all your costs and show a reasonable profit, then and only then, it should be safe to multiply your earnings by going all the way with the full list that is available.

Always remember that some lists will be completely worthless for your offer. You must test each list before committing mail order "suicide". Be certain to choose the right category of names. If you are selling a novel you wouldn't want to mail to a list of opportunity seekers.

However, if it is a How-to-do-it type book, report, or folio, then a list of opportunity seekers may be even better than a list of known book buyers. Tests!... The only way to know for sure.

All Profit Ads... You Keep It All!

A number of mailorder dealers publish information "folios" which they will send your customers free for a stamped addressed envelope. They provide the ads which you circulate over your own name, usually asking \$1.00 or \$2.00 retail. Although called "All Profit", they are really 80% commission ads or circulars. (It will cost you a first-class stamp to send the order with a stamped addressed envelope to the source, who then stuffs the envelope with the order plus ads for some of their other products.)

The source for "All-Profit" ads hopes your customer will then order something from them. Their ads cost them only the labor of stuffing the envelope and printing the materials.

Send a self-addressed stamped envelope (SASE) to the various sources for samples of their all profit ads and circulars together with full details of their offerings.

You will find numerous mailorder dealers who offer the "All Profit Ads" in most every mailorder ad magazine.

Be sure to give them a test before blowing your money as most of them are good only for acquiring name lists, other mailorder contacts, general information and for education in mailorder methods... Not for direct money-making activity!

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The \$100 a Day Plan Plus 6 Formulas

Insert the following ad in the classified sections of local papers, in mailorder magazines, etc. It is represented (not by the author but by many of those in the mailorder business) as a quick dollar-pulling ad, but you be the judge.

Make \$100 a day! How would you like to receive 100 letters a day, each containing \$1.00? It's easy. Plan with directions, PLUS 6 money-making formulas for only \$1.00. (Your name and address)

When you receive an order from this "dollar-puller" (?), fill it yourself by mailing the customer a copy of this information sheet. (You can get 100 copies printed for as little as \$5.00.) This is an old-time mailorder ad and is represented as one of the better pullers but I reserve my opinion!

The Six Formulas: Make Them Yourself and Sell Them for Big Profits!

1. Eye glass cleaner: Mix together 8 ounces of ammonia and 32 ounces of denatured alcohol. Put up in 2 ounce bottles to sell for somewhat less than eye glass cleaner in your local drug store or department store. Or if you have the opportunity, sell the cleaner with your own label on it, in volume, at less than wholesale price to various retailers for resale to their customers.

2. Mosquito Remedy: Mix oil of citronella with common vaseline. Apply to hands and put on shirt collar, or on a cloth handkerchief which may be tied around the neck.

3. Liquid Hand Soap: Dissolve any good powdered soap in boiling water. Add one part alcohol to each 30 parts of soap solution. A perfume scent may be added when the mixture cools.

4. Powdered Hand Soap: Put ordinary tri-sodium phosphate in sifter can, or mix seven ounces of the same with three ounces of fine powdered pumice. Retail 4 oz. bottles, or boxes for \$1.00 or so.

5. Insect and Roach Exterminator: Mix the following: 1 pound Borax and 6 ounces powdered sugar. Add 1 oz. cocoa powder and 2 oz. sodium fluoride. Mix well. Sprinkle around places pests are known to frequent. Keep away from children!

6. Athlete's Foot Remedy: Mix four ounces of Borax with a gallon of water. Put up in 8 ounce bottles and sell for \$1.00 to \$3.00. Helps to get rid of sores on feet as well. For use on feet only.

Any or all of these formulas may be used to build an excellent home business(?). They are all good sellers(?). By mixing and packaging them yourself you can sell them to wholesalers in large quantities(?).

Prosperity Plans!

We are including these plans as general information only. There are many different ones going around the country but the basic method is about the same in

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all of them. There are thousands of mailorder enthusiasts taking up their time with such plans. Apparently most are legal and they may be educational, or they may be used to gather name lists, etc., but you can spend a great deal of time and effort for very little return.

At any rate, they go something like the following:

1. Make extra money by running the following ad over your name:

Amazing prosperity plan... Pays eight ways. Up to \$6 all profit. Rush \$1 for your copy today. (your name and address).

Fill your orders with a copy of this sheet. That's all there is to it.

OR Advertise as follows:

Receive \$250 from \$10 investment. Method and sample \$1. (Your name and address)

OR

Receive \$1,000 from \$25 investment. Method and sample \$1. (your name and address)

Fill orders with the following information: 250 copies of this prosperity sheet can be bought for \$10 and sold for \$1 each (\$250). Or 1,000 copies can be bought for \$25 and sold for \$1 each (That's \$1,000). Order from _____ (The promoter, dealer, or printer initiating this program would have his name and address here).

2. Here's a \$2 to \$10 All-Profit Deal: Run the following 21 word ad over your name:

Choice Mailing List! 1,000 prospects wanting money making offers - 1 cent each. Minimum order 250 (\$2.50). All 1,000 (\$8). (Your name and address).

Continuing with example (2). (The name and address of the dealer or printer would be laid out here >> _____) fills orders FREE for a first class stamp plus first class stamped envelope addressed to your customer for each 250 names. Be sure to state how many names were ordered and to be sent to your customer.

3. More All Profit Ads and the Information They Sell:

Run the following ad over your name in whatever publications you choose. when you receive orders, send your customers this prosperity sheet with the answer.

AD: Name of company that will put you in business for only \$5.00. Dignified work, no ringing doorbells. Full information \$1.00. (Your name and address).

ANSWER: Send \$4.00 to _____ (Again as above, the name of the dealer or printer promoting this program, who has such an offer available, would be placed here), and ask for complete Mailorder Business... They will send you the program and full instructions. It's 100% guaranteed and if you wish to return the same in good condition, your full \$5.00 will be refunded immediately with no questions asked! For 50 of these prosperity plan sheets send \$5.00 to: _____ <<

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(Again the Name and address of the promoter who will fill the order for you).

As you can readily recognize, this could be a good deal for the dealer, printer (promoter) having others drum up business for them without any expense involved themselves.

\$500 a Month Plan!

One way to make extra money or start a business of your own is by placing advertising which will pay a good profit. Selling printed information by mail can be financially rewarding. Classified advertising is the cheapest way to get into mail order and it is often possible to raise a fortune from these small ads. Just check any large publication, such as Popular Mechanics, for their classified advertising section and you can see for yourself the many ads.

These small ads, running month after month, would not be there if they were not profitable and making money. According to some of the promotional materials being sent around the country you could make up to \$500 or possibly more by running the following classified ads over your name and address. They ask you to pick up a top national publication and test either one or both under "Money-Making Opportunities" heading and watch the dollars come in. I doubt if you can make this kind of money from such a project but for your information here are the programs and the advertisements they are talking about:

"How would you like to receive \$25 daily and keep all the money? For complete set-up rush \$1 to: (Your name and address)".

OR

"\$500 monthly. work at home, receive money daily. For complete set-up send \$1 to: (your name and address here)"

You are supposed to fill the orders you receive with a copy of this sheet you are now reading, perhaps changed somewhat to delete the negative tone I have injected! You would make photocopies or get a supply printed to send out as needed. There are other variations of this plan, but all serve the same purpose: To sell printed information to people who are interested in making some extra money. (They say it is truly possible to make money with this plan... My tests indicate otherwise).

If you study the many classified ads in the big national publications, you may get a better idea of what the leading companies in mailorder are doing. You will get a better idea of how classified advertising works. If you have limited capital, it would be wise to run your ads in smaller publications such as small newspapers, small mailorder publications, and adsheets.

If you have sufficient capital, some good pulling national magazines or Tabloids are:

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Popular Mechanics Money Making Opportunities Salesman's Opportunities Specialty Salesman Mechanics Illustrated National Enquirer And Many others to numerous to mention here!

Many such magazine, tabloids and other good publications are available at your local news stand, library or through mailorder. Many of them require a copy of the material you are selling with your ad and reserve the right not to print certain ads they feel may be injurious to the public or to the image of their publication.

Yes! You can start your own advertising and mailing business sat home and keep your finances ahead of inflation but be sure you are involved in the kind of program that gives you a reasonable chance to be a winner!

How To Receive Orders In Your Mailbox 365 Days A Year!

Do you want to receive orders every day of the year? You can if you have a mailbox or post office box and if you sell something that people want. The "secret" is explained in this report so you can profit from what I have learned the hard way starting in mail order.

Most dealers believe that a profit cannot be made unless items with big price tags are offered to the buying public. This is far from the truth. To keep orders coming in on a regular basis you must use "good will" and "leader" items. These are good pulling offers that keep dollars coming in daily to your mailbox. In an average week leader items selling for 25 cents, 50 cents, \$1.00 or postage stamps can bring in dozens and dozens of orders. Offering valuable information for example, with price tags that build "customer interest" can create regular repeat buyers for your offers.

For years I've offered information for 50 cents, \$1.00 and/or postage stamps and find that these are really big sellers that can and will build customer trust, plus build a valuable mailing list you can use over and over again. Most of my offers are short mini-folios containing a few thousand words of helpful or money-saving information. The cost is only a few pennies to print. My profit margin is enormous even with the present cost of printing envelopes and postage. My profit margin is maintained by asking for self addressed stamped envelopes which also cuts down tome to fill the orders. Customers who send me 25 cents, 50 cents and \$1.00 usually send larger orders later on. With each out-going order I include my other money making offers which get a "free ride" with the original report. My repeat orders have always been above 50%. Selling information for a dollar or less may not seem like very much profit to you, but you are getting valuable names of buyers for your own mailing list plus you can sell these names to other dealers for a profit.

Selling "Big Mails" is an excellent way to get your offers mailed FREE plus

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get valuable names you can sell to other dealers \$2.00 per 100 and up. You can get BIG response to your advertising if you just use your imagination. If you have a piece of material that has not made the rounds in mail order publications, put the material into your own words and sell it. One dealer sells the addresses of several companies that offer wholesale mail order printing. His ad reads as follows” “CHEAP PRINTING! List of 50 discount printers. \$1.00 and stamp. This ad brings in 20 to 30 orders every day of the year! His profit is more than \$9,000 per year from one small classified ad! You can do it to! Simply sell a good piece of information and watch the dollars roll in every day in your mailbox. This is how to keep you mailbox full of orders 365-DAYS-A-YEAR!

HAPPY MAIL ORDER SELLING!

Unexplored Mail Order Products (OR Getting Out of the “Inner Circle”)

It doesn't matter what you're selling by mail. Unless you've progressed beyond the point of being a one man operation, you've got many options open to you for increasing your sales right in your backyard. These secondary markets for your products are usually unexplored by smaller dealers, but think of it this way: If it sells by mail, why won't it sell retail? And of course you'll realize there is no reason at all why it won't.

Whether you sell printed matter, food, merchandise of any kind, you know you get an excellent price when you buy it, and you pay an enormous amount to get it to the public through the mails. That means you can probably undercut that price when you wholesale or retail it locally. Unless you sell specialty items of interest only to certain groups of people such as other mail order dealers, you'll find a ready market just about anywhere for your wares.

If you've chosen your product line wisely, you carry a number of items rarely seen in retail stores. Perhaps they should be. Show samples to the retailers in your area and offer to wholesale items to him. Even if they're dropshipped, you can afford to take a smaller commission on a bulk sale since your capital expenditure only is involved, not the cost of postage and literature as well.

The retail field is not limited to the shops in your area. Chances are good that more than a few flea market operators live nearby who might be interested in handling some of your products, especially if you can give them a substantial discount. Other excellent outlets for lower-priced items are variety stores. They frequently handle all manner of novelties and interesting consumer goods, especially if they sell for under \$5.

If you handle a variety of reports you might wangle yourself a column in your local newspaper. It's true, most of them are junk and not of much use to the general public, but more than likely, the ones you buy yourself are excellent read-

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ing for all types of people and consist of information few know about.

Since they're available for you to reprint when you purchase them and therefore not legally copyrighted, you can put them into a column under your name, provided you don't take credit for actually writing them. Show some of the better pieces to the editor of your local weekly paper and see what they have to say. You might be surprised how easy it is to get involved in a newspaper.

Here's another idea for selling your reports. Why not put them into envelopes printed with the contents, or on a display card that tells the buyer what he's getting?

Naturally, you won't be able to put a \$10 reports collection over on the general public for what you paid for it, but even at \$2 or \$3, you're making plenty over your printing costs. (In fact, these collections were packaged specifically with the secondary market in mind. With a suitable cover, or even without, they can be sold as-is, as minibooks.)

You can float them in flea markets and variety stores, even bookstores, but we advise you you'll probably have to leave them on consignment since this is not a common means of merchandising information and retailers will be reluctant to give you your money upfront.

If you're marketing one of the more successful lines of books, the catalogs of unusual books usually advertised as "not sold in stores", you might try taking catalogs around to local booksellers and taking orders.

If you approach the book store owner on his own level, you should probably discover you'll rarely come away without an order, especially if you can give him a worthwhile markup in addition to your commission, which you must make smaller than your regular 50% or so.

Don't balk at doing this, because you'll more than make up for it by pulling down multiple sales in almost every case. Many of the titles we've seen are genuine bargains even at regular mail order prices and will appeal to your local book-seller.

For unusual items with a very wide appeal, here's something that could turn out to be a massive profit-puller. Either take one publication or a group of reports, print 1,000 8-1/2x11 flyers with information on both sides and deliver them door to door in your neighborhood.

We'll admit this is a real gamble, but the right product with the right sales material could turn a profit big enough to make you an amazing profit in an incredibly short time by blanketing your city with these flyers. A line of household goods could be sold in the very same manner.

We're sure there are more unexplored mail order product markets, but our creativity runs only so deep. Perhaps you've thought of others worth test-marketing already. If so, by all means try them! Just because it hasn't been done before

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doesn't mean it can't be done, and just because it has failed in the past doesn't mean it will fail again.

Ways To Make Money In Mail Order

RICHES FROM YOUR RUBBER STAMP

A good income can be a reality for anyone owning a rubber stamp. The only additional items needed are envelopes, postage stamps, and a few commission circulars. The rubber stamp is the only one of the above items you need to pay for. The envelopes, postage stamps, and circulars can be obtained FREE. Many small operators are earning a comfortable living as commission mailers. The "tricks of the trade" are rather involved, but I'll give you all the basic information you'll need to start a profitable business. Hundreds of supply houses are constantly looking for people to mail their circulars for them. In most cases, these people will send you all the circulars you need for FREE. However, they need to know that you are in business or they cannot send circulars to you. Start your commission mailing business by running this short, classified ad in as many adsheets and magazines as your investment will allow:

"Commission circulars mailed free. Must pay me 50% or more. Send postage paid: (your name and address).

The above ad will bring plenty of free imprint circulars to you. As they come in, insert one of the circulars from each batch into a notebook and list the source of the item and the address-to avoid confusion when filling any future orders. While waiting for your first package of circulars to arrive, place the following small ad in as many adsheets as you can afford, offering a big mail for free:

Free Big Mail! Return this ad with a self-addressed, stamped envelope. (Your name and address).

The above ad will bring free stamps and envelopes to you. The people who answer this type of ad are interested in seeing what you have to offer and are usually excellent prospects.

In the beginning you will probably mail no more than 100 envelopes per month. As your income grows, you can expand your monthly mailings. Some commission mailers mail thousands of pieces per month.

HOW TO CO-PUBLISH FOR MAXIMUM PROFITS

There are many fine trade magazines and ad-sheets that you may co-publish in the mail-order business. These trade publications are "in-print" quickly - no long waiting for your ad to appear. They reach an amazing number of small homeworkers and opportunity seekers. If your product or service appeals to these readers - the rates are right. The prime reasons for using these magazines are:

You get a 50% discount on you advertising after the first time in exchange

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for mailing a few copies

You earn a 50% commission on all new co-publishers and advertisers that you get for the publisher. Of course we hope to do some business from your own advertising also.

How does the system work? After you place your advertising at the first time rate, you will receive a discount on all future advertising as long as you continue to co-publish that magazine. That discount on your ads and a commission on the others is usually 50%. In return for the discount, you are expected to mail a few copies - honestly. Include the copies in orders that you fill, big mails, or advertise them free for the postage. Using these methods your postage cost to mail your copies is zero.

Another reason for co-publishing various magazines is that many of them do not require camera-ready copy. Some do an excellent job of typesetting and it's free. Items selling in these publications usually sell for \$3.00 or less - with \$1.00 being a heavy seller. Remember, it doesn't cost you advertise, it PAYS.

HOW TO MAKE MONEY EVEN WHEN YOUR ADS DON'T PULL

Step One: Advertise in a mail order magazine that you can co-publish. The price will be the same as the Ad the first time alone - usually a 50% discount thereafter.

Step Two: With the copies you receive as co-publisher, you can make money because you receive 50% commission on ads, subscriptions, etc., that are placed through you. We co-publish magazines which we make a profit on even when our ads don't pull. You can too. It's a great way test new ads and eliminate those that don't pull;

Step Three: Distribute your magazine to people who are likely to place ads, etc. Check for firms who advertise in one co-publisher magazine and not in another. Send them a copy of the magazine that they are not currently co-publishing or advertising. Since the publisher's name is not printed on the magazines, readers will have to order through you. When they do, you make 50% (and more, sometimes).

HOW TO GET YOUR CIRCULARS MAILED FREE

Yes, there IS a way to get your circulars mailed free. As soon as you can afford it, become a supplier of commission circulars. The easiest way to do this is to take "All-Profit" offers and have circulars printed on two sides. On one side have your own name and address printed. On the other side leave space for a rubber stamp imprint. Offer these circulars to circular mailers on a commission basis. They keep a commission - 50% to 100% on the one side, and you make your profit on the other. Use this same method for any offers that you develop for yourself.

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You can reach these mailers by advertising in, or subscribing in several mail order trade magazines and ad sheets. Another way to locate mailers for your literature is to notice the ads by mailers; usually at the bottom of their ad they state, "Commission circulars mailed free" which means that they get one side - and you get the other, as above.

If you really want to get rolling using this method, take two "All-Profit" offers and give the mailer 100% on one side. You still make yours on the other offer. Also, if you interested in obtaining additional commission circulars for yourself include the above statement as part of you own ad.

Still another way to get your literature mailed free is to include this little note in all of your advertising - at the end of the copy, "Stamp appreciated". It only costs you two words, but it could save you bunches of bucks in postage.

If you are advertising in trade publications or ad-sheets, use "SASE" which means Self-addressed-stamped envelope. The savings for envelopes, addressing labor, and postage can amount to lots of money.

Many small dealers use this method exclusively - even in the large circulation magazines. They've been using it for years so it must work!

Examples Of Mail Order Scams

After spending the last few months investigating certain types of mail order businesses, it was obvious that some of them were border line questionable, if not a verifiable scam.

EXAMPLE 1 Collect names for us. We pay \$20 each. Guaranteed! The truth is, this company **WILL** pay you \$20 for each name you collect for them. What they **DON'T** tell you is that each person has to spend \$100 or more by placing an order before you get your \$20.

The customer is led to believe that all they have to do is get out their phone books and start sending the company names and addresses. In return, the company will send them \$20 for each name and address they send them. When they send away for the details they discover the scam and think everybody in mail order is operating this way. Result: Mail order is labeled as a scam and illegal business activity.

EXAMPLE 2 "How to get 100,000 people to send you \$10 each. Send \$1 to..." This is cute advertising, but you have to put a legitimate product behind claims like this. One of the materials I found was a book with this title. And you get the book for sending \$1 to the publisher. Some so-called seasoned pros will abruptly judge this as a scam. To some extent, these people are not pros. They're just jaded. For mail order neophytes, this is very intriguing. Besides, it only costs \$1 to find out. What the beginner finds out is that they are expected to run the same ad in newspapers and tabloids. Other people will send \$1 for information

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and their mailbox is “supposedly” flooded with \$1 bills. This ad is NOT illegal. It asks you to send \$1 for information and you DO get the information.

These types of ads are all a bunch of paper-passing _ and I classify them under the heading of a “Legitimate Scam.” You can’t complain that your order was not filled. You can’t complain the idea is not possible. You can’t complain the ad promised something it didn’t deliver. Likewise, do not confuse scam-sounding ads with legitimate lead-generation ads.” A mail order buddie of mine will run an ad that states: “Want to make a lot of money? Call (his telephone number.)” This is NOT necessarily a scam or rip-off. Since there is no cost involved _ it might be worth your time and effort to call the number and see what this dealer has to offer.

Also, some dealers run ads that don’t tell you what the product is because they have an entire package of information they want to send you. It would be too costly to advertise the complete information in a small 1" or 2" ad, so they run “Lead-Generating Ads” to bring them inquiries. This is also not illegal and is common business practice. You’ll also find that real “Lead-Generating Ads” DON’T ask you for a lot of money up front. They only tell you enough about the product to entice you to send in a SASE (self-addressed stamped envelope) or \$1 for more information. They are unlike the “Example 2” at the left that basically tell you the scam before you order it! (It may take a little time for you to make the distinction between these fine lines.)

Many people overlook the power of the printed word. Instead of complaining, people should be writing their mail order publishers when they are ripped-off, providing them with documentation and a summary of these mail order scams.

Use wisdom. Get your facts straight. Have documentation to back-up your findings and submit them! Wouldn’t it be great if everybody in the world were honest? What a wonderful world this would be!

How To Double Your Earnings In Mailorder

Want to double your earnings in mailorder? You CAN if you use my simple method. I’ve used it for years and still continue to do so.

Begin by running one or two ads in several different mail order publications. When orders begin to come in, take a full 50% of the profits and invest them in more advertising. Most dealers DON’t do this and wonder why they aren’t making any money. You MUST invest at least half your profits to DOUBLE your income in this business.

When I started in mail order I had \$5 to invest. I didn’t believe it would be enough to help, but it WAS enough and I showed a profit of over \$300 in my first 3 months. That wasn’t a bad beginning, but today I bring in many times my original investment EACH DAY. Investment of profits is the secret if you wish to succeed in business, and mail order is no exception.

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Envelope Stuffing Scams

It seems like every mail order publication has at least one ad in it promising hundreds of dollars a week, just for stuffing envelopes. Some even promise to pay \$4 or \$5 per envelope stuffed! So, many people send off their hard earned money for the “registration fees” so they can get started on this easy work. Then they are disappointed when they discover they’ve been duped.

Here’s why the envelope stuffing programs are nothing more than scams. First of all, the idea of paying someone to stuff envelopes is ridiculous. Why pay someone even 50 cents to stuff an envelope when you can get an envelope stuffing machine for a few hundred dollars? There must be more to what you’ll have to do than simply putting a paper in an envelope.

In fact, there’s more. The most prevalent envelope stuffing con game goes like this. You pay your “registration fee” _ usually around \$30.00, pure profit for the scam operator.

The operator will then send you a copy of the ad you originally responded to, along with the wording to a classified ad, telling people about how much money they can make stuffing envelopes, and to send a self-addressed stamped envelope for information. When you receive someone’s SASE, you send them a copy of the ad.

You have just “stuffed an envelope.” If the poor sucker sends in the registration fee to the operator (like YOU did), the operator will send you \$1 (or whatever was promised in the ad) for “stuffing the envelope.” The operator is left with expenses of around \$2 and a profit of \$28.

Basically, you are doing all the advertising work for the operator for extremely low pay. You should expect a response rate, if you’re lucky, of 1/4% to 1/2%. At 1/2%, you’d have to get 200 responses to your classified ad to get \$1. Good luck.

The other most common scheme goes like this. You send the usual registration fee in, and the operator sends you a package containing all the components of the operators mailings. You must assemble them, fold them, and stuff the envelopes according to the operator’s very exacting instructions.

Then, you send the stuffed envelopes back to the operator. You will be paid for each stuffed envelope that “meets their standards.” Of course, none of the envelopes you stuffed will meet their standards. They will find some reason not to pay you. Of course, that doesn’t prevent them from still sending out the envelopes you stuffed...

So, you can see, that joining an envelope stuffing program is a bad idea. Save the money you’d send in for the registration fee, and put it towards a legitimate mail order business, and you’ll be happier and more successful.

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How To Start Your Own Mailbox Book Club

Book of the month clubs are million dollar businesses. Since many people live in rural areas where no library is available, these people purchase from 5 to 10 books at a time through the mail. They would rather buy books through the mail than travel into the city for them. A Pennsylvania man has started a book club in which people pay a yearly rate of \$12 to receive all the books they can read. In addition to the \$12 fee, they must also pay postage on all books they receive.

When they are finished with the books, they return them to the man so that the books can be sent to other people who wish to "rent" them. The book club business is operated by this man all year 'round. He belongs to 10 book clubs himself, and originally received his first selections for about \$1 for every 5 to 8 books ordered. He started with about 50 to 60 best sellers and then began advertising his own book club. Renting a book is much cheaper than buying one, so your business should do quite well.

SUGGESTION: Make a list of all the books you have available and mail your list to interested people who will answer the following classified ad: "Don't buy books - rent them! List of top sellers FREE with stamp. (Your name and address)."

How To Set Up And Organize Your Customer Mailing List For Optimum Results

Your list of customers who have previously bought from you is your most important asset. These are the customers who will provide you with return business, which is more profitable than the first sale. But, are you getting the most from your customer list? There are some secrets you should know, so you can squeeze the most benefits out of your mailing list.

Most business' customer lists consist of this information: Name, Address, City, State, Zip. That's it. Unfortunately, this mailing list is almost worthless. You need to have more information in your files than just that. I have 32 information fields in my customer database! You should be able to set these up in your computer's database, or, if you don't use a computer (you REALLY should), all this information should fit on a large size index card in a card file. Here are the fields I have in my customer database:

LastName; FirstName; Title; Position; Company

Name; Address1; Address2; City; State; Zip; Per Phone; Bus Phone; Fax Phone; Inq Date; Refer Source; Follow Up1; Follow Up2; Sub Date; Sub Amount; Renew Date; Purch1; Purch1Date; Purch1Amount; Purch2; Purch2 Date; Purch2 Amount; Purch3; Purch3 Date; Purch3 Amount; TotAmount; Comments; Cust#

The first 10 fields (reading across) should be self-explanatory. Almost any

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address possible can be put into my database without having to leave out information or abbreviate. The next three are for phone numbers. You **MUST** have your customer's phone numbers, when possible, to be able to follow up quickly and efficiently. Making one phone call can be the difference between a big sale or NO sale.

The Inquiry Date field is where I record the date the customer first inquired about my products and services, and the date I sent the information, since it's always the same day (there's no excuse not to follow up your inquiries on the same day you receive them). This information, coupled with the ReferSource field, tells me when my ads are hitting, and how quickly people are responding to them. If I see that inquiries are coming in slowly, or long after the ad is out, I know that I need more action incentives in my next ad. The ReferSource field is where I enter the "key" from my ad. I use a letter code after my street address to indicate which publication and issue the inquiry comes from. I also code my mailings, for the same reason.

I enter a date into the two FollowUp fields to indicate when I want to send follow up literature to customers who don't order on the first try. I usually put a date two weeks from the InqDate in FollowUp1, and one two weeks later than that in FollowUp2. Then, every day, I run a search on these two fields to pull up any records that have today's date as a follow up date. I can then print labels and put them on the envelopes and literature I have ready for follow ups.

I use the next three fields (SubDate, SubAmount, RenewDate) for the newsletter I publish. These would have the date I receive their subscription, the amount they paid (I sometimes run special prices), and the date I want to send subscription renewal information (usually 10 1/2 months from the SubDate). I can then print labels in the same manner as I do for the FollowUp fields.

Next come the Purchase fields. I have three sets of purchase fields, one for each purchase the customer makes. In the Purch1 field, I enter a code for the product they have purchased. The other two fields get the date and amount of the purchase. The second and third sets of fields get the same information for the customer's second and third purchases. The best customers to mail offers to are the ones that have purchased within the last 90 days, so I don't have to worry about many customers making more than three purchases during that time period (though I hope they will!). If someone does make a fourth purchase, I move the second and third sets of data up to the first and second lines, and enter the new purchase information in the third data set.

These fields are extremely important. I can instantly pull up a list of customers that have purchased within the past 90 days, or 60 days, or 30 days, or even 15 days. When you rent out your house mailing list, like I do, this information is vital. The rental amount you can charge increases as the amount of time since the

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customer's purchase decreases.

The next field in my database is TotAmount, which contains a formula to calculate the total dollar amount that the customer has purchased from me to date.

The Comments field is used to store any miscellaneous information about the customer that I think is important to know.

I use the final field, Cust#, for a specially coded customer number that I assign each customer. I use this code to identify the recipient of any commissions I may pay to customers who have brought business my way.

That's a lot of information, and you may be wondering why I would need all of that. Well, I've already told you how I use the purchase data fields for identifying the "age" of the customers. I can also use the TotAmount field to compile a list of customers who have bought more than a certain amount from me. Together, these field searches can be used to produce a customized mailing list of, for example, customers who have bought more than \$50 in the past 30 days. These would be the most responsive people to mail to, and would render the highest rental rate of my customer list.

I can also use certain mailing list fields to identify people who should be dropped from my list. For example, I can search for customers with FollowUp2 dates that are four weeks past today's date, and TotAmounts of zero. These customers could be erased from my list. Or, I could leave them on file, and put a word or two in the Comments field reminding me not to mail anything else to them, in case they inquire again. This saves me the cost of mailing something to someone who probably won't respond. They might, but chances are they won't.

Finally, if I get a customer who has returned too many orders, or has defrauded me in some way, I can put that information in the Comments field. Then, if they order again, when their file comes up, I will see their history, and can use extra caution with them.

As you can see, if you use foresight when initially setting up your customer list, you will have a valuable tool that you can use to increase your order potential, increase your income through specialized list rental, and decrease your mailing costs by eliminating "deadwood" from your list. This is one of the most important methods you can use to increase your chances of success.

Note: If you aren't currently using a computer, or you are, but you're not sure of the best ways to use it in your business, send for the "Mail Order Computer" report. It's not just for Mail Order businesses; the information can be used by any business owner interested in expanding his or her business by using a computer. You'll also learn which computer setup is the best and most economical for your business, if you don't have one yet. Send \$8 to Pat Flanagan Publishing & Design, 540 Imus, Mishawaka, IN 46545. Also, an excellent database program to use for maintaining your mailing list is "File Express," which is also avail-

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able for \$8 from Pat Flanagan Publishing & Design.

How To Prepare Camera Ready Copy For Offset Printing “Camera ready” means just what it says. Your copy must be ready for the printer to photograph. From this photograph, he prints as many copies as you want. Don’t expect him to shrink or enlarge your copy, or any part of it. He can’t, except by special arrangement and extra expense.

Your copy must be pure black and white. In some cases a printer can “shoot” other colors, but you’re better off to check with him first. Red ink on white paper is OK, as the camera sees red as black. Use liquid paper to white out dirt, smudges, or anything you don’t want to show up. Don’t erase. Leave at least 1/2" margin around the outside edge.

“Half-tones” (pictures previously printed and composed of hundreds of tiny dots to simulate grey areas) don’t print too well. Remember, the camera picks up exactly what it sees. It will not clean up your sloppiness. You must be neat and clean.

Ten Crucial Steps To Mail Order Success

There a number of difficulties a beginning entrepreneur may encounter that can “torpedo” his business almost before he knows it. But the wise mail order dealer can sidestep some of the pitfalls of operating his own business by recognizing and avoiding the following common mistakes.

1. Figuring that the one “How-To” book, booklet, or report that you read about starting a mail order business told you everything you need to know. You never really stop learning about this business as long as you’re in it, and you need to continually seek out new information and advice from those more experienced than you.

2. Planning your entire business around only one product or service. It is best to have several different items to promote; give your customers a choice. And always have something to follow-up an order or inquiry with. It costs too much to obtain the name sand addresses of potential customers to simply try to sell them one item, one time.

3. Spending too much of your advertising money on only one or two untested ads in only one or two untested publications. Start smart... test your ads (2 to 3 concurrent insertions) in a variety of publications that are likely candidates for the product or service you are selling. This means studying many different magazines, newspapers, adsheets, and so on to determine where your ad will best fit in and has the best chance of being seen by readers who will be interested in what you are offering.

4. Believing that your advertising only 3 or 4 times will be enough to estab-

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lish your business and earn your fortune. There is one theory that states that people need to see your ad an minimum of 3 times before it makes an impression on them. Another theory states they must see it 7 times!

5. Failing to adequately “key” your ads so you know which ads in which publications are pulling inquiries or orders for you. Without this knowledge, you’ll continue to throw your money away by advertising in totally unsuitable and unresponsive publications.

6. Trying to sell a \$10 or more item in a small space or classified ad. Not enough information comes across in a small advertisement; people won’t part with this kind of money on the basis of your 40 to 50 words. It is best to ask for inquiries and offer free information. Once you have the customer’s name and address, use your full size circulars, brochures, and sales letters to convince your customer of the benefits you are offering.

7. Not keeping adequate records on the customers who do respond to your ads. These people have demonstrated their interest and faith in your company and your product. If they have bought from you once, they may very well buy from you again. Keep track of their names, addresses, date of sale or inquiry, what ad(s) they responded to, item(s) bought from you and amount paid, and then mail your promotional pieces to them periodically. Your customer list can be one of your most valuable business tools.

8. Not using proper postage on your mailing pieces. You should weigh everything you’re mailing first class (an inexpensive postage scale cost about \$6.00), and then affix the correct stamps. Most people overestimate how heavy their mailing piece is and put two first class stamps on an envelope that only weights one ounce. Wasteful habits at such a basic level in mail order can be the start of financial ruin.

9. Thinking that how your mailing piece looks doesn’t matter, it’s the content that counts. The content of any circular, program, report, booklet, etc., is of course important, but a poorly laid-out job, badly copied piece which is barely readable does a poor sales job, no matter what it says. The “look” you are presenting matters more than you may realize.

10. Believing that once you have your customer’s money, you have done your job. Always respond quickly. Mail out the order or requested information within 48 hours. Take care of any problems or complaints immediately; refund their money if they are dissatisfied with their purchase. Always give your customer more than he expects, and he’ll want to do business with you again in future.

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113 Pointers For The Mail Order Beginner

Introduction

The following is designed to provide a checklist for new entrants into the mail order field. Each mail order business is different, but there are common elements that apply to most mail order businesses, as well as some specific characteristics that may vary from business to business. The following suggestions were developed to assist you in avoiding mistakes which can be costly. Apply the various points as they may relate to your specific business.

Company Name

- Select a short, easily remembered name.
- Unless you are using your own name, it is required in most jurisdictions that a trade name is either registered with the county or the State.
- Before you spend money for printing material, make sure that the name you choose is not already registered to another company. You can usually conduct a name search with an office of the appropriate jurisdiction by telephone.
- You may consider using a name that describes your product.

Company Address

- Most newly established mail order businesses will operate out of their home until the volume of business requires larger space.
- Most mail order businesses prefer not to use their home address as their company address. If you do, you will advertise your home address in regional and national publications. You have two other choices, a Post Office Box (POB) or a postal box located in a commercial enterprise which rents out mail boxes.
- A POB is generally the least expensive, both to rent and for advertising purposes (see below). Some mail order operators claim that it reduces business because people do not trust a POB address. yet there are just as many mail order operators who prove them wrong. The decision is yours.
- If you rent a mail box in a commercial enterprise, (many have sprung up in recent years), your box number usually becomes a suite number in the address.
- Almost all publications will charge you a full word charge for each component of your address. Example:

Information Books, 300 Main Street, Suite 611, Centerville, MD 20910 or
Information Books, Box 1000, Centerville, MD 20910

- The first address is counted as 10 words, the second one as 7 words. Since advertising costs anywhere from 50 cents to \$10.00 per word (classified advertising) you could save a substantial amount of money at the end of the year.

| Telephone

- Some mail order companies do not show their telephone numbers on their stationery, others do. I believe it gives the customer some comfort to see a tele-

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phone number, although he may never use it.

- You can show your residence phone number in the appropriate printed material, or you can obtain a business listing for your home.

- The residence phone is fine, for starters, if it is answered in a professional manner at all times.

- If you plan to sell higher priced ticket items (over \$30.00), however, a business listing would be advantageous since a prospective customer may pick up the phone and check with the information operator whether "Company X" is listed.

Basic Supplies

- Be conservative and frugal in your acquisition of items that you feel are needed. It's always wise to start small, and as inexpensively as possible, and as you build profits, you can buy more and better items.

- The basics are a good quality typewriter, (you can rent one for starters for a few months). If you have a computer, that would be ideal. Business stationery, business envelopes (#10's), and return envelopes, either #6 or #9 is fine. All items should have your business name and address imprinted on them.

- You will also need some mailing labels and some miscellaneous office supplies.

Product

- If possible, choose a product or products that people need on an ongoing basis.

- Be sure the product is of acceptable quality. Know the product before you sell it.

- If feasible, choose an item that is not widely available from retailers.

- If you have a difficult time deciding what items or products to select, I suggest you read the following book: "How Mail Order Fortunes are Made" by Alfred Stern. This book lists hundreds of different items. It will give you many good ideas.

- Develop a line of merchandise. It is rarely possible to make money with just one or two items. The availability of a line of related products is paramount to mail order success.

- The more specialized your products are, the easier your marketing becomes.

- If you are selling books, for example, it would be impossible, except for a very large company, to sell all types of books. You may decide to specialize in books pertaining to sports, and may want to go even further by zeroing in on football or baseball.

Suppliers

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- Your suppliers should provide you with reliability, quality, and reasonable pricing.

- Since you probably should provide some type of money back guarantee (30 days is standard), you should expect the same guarantee from your suppliers.

- When buying from out of town suppliers, be sure to include the shipping charge in comparing prices to local suppliers.

Drop-Shipments

- Under a drop-ship agreement, which is available from many suppliers for a variety of products, the supplier ships your customers' orders directly under your shipping label. (Suggested reading: "American Drop-Shippers Directory".)

- It is customary that the supplier guarantees not to include any of his promotional materials with the shipment; or to use your customer's name for any future mailings.

- Drop-shipping arrangements are suitable for people getting started. It allows you not to have to carry a costly inventory.

- As your business increases and you develop a sense of what sells well, you can stock limited supplies of certain fast selling items, and continue utilizing drop-shipments for slower selling products. Eventually, as your business flourishes, you can carry an inventory of everything you sell.

- Handling your own shipments is advantageous for the following reasons: It cuts down your shipping expenses, it decreases the shipping time, and it allows you to include promotional material directly with the shipment.

- When you do utilize drop-shipments, be sure to send your customer a note that his order is being processed and he can expect it by, or around a certain date.

- It is unnecessary to make your customer aware of the fact that the item is being drop-shipped. Include some promotional material with our letter or note.

Pricing

- Buy at a price that allows you an adequate mark-up. In setting your prices, allow for all costs:

- Cost of product, shipping cost and postage, bank charges including credit card charges, wrapping, bad debts, rejects, refunds, etc. In addition, the other normal overhead costs need to be considered. Lastly, there is the substantial marketing cost for advertising, and for printing of promotional items. (See the following paragraphs.)

- Your prices of course, have to be fair and in line with your competition.

- It is not necessary that you make a big profit on each and every item. The real profit in mail order comes from follow-up orders.

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- THE 3 BIGGEST EXPENSE CATEGORIES IN MAIL ORDER ARE: ADVERTISING, PRINTING COST, AND POSTAGE. Over 80% of your total expenses are in this area. Watch these expenses very carefully.

Advertising Expense

- Start with classified ads. As you test them and know what is successful, you can switch to display ads.

- To test an offering and a specific ad, run it once in a specific publication and you should get a reading that could be very positive or very negative. It might also be inconclusive. If that is the case, simply run it again.

- It is best to test an ad by running it in different publications.

- Advertise in publications that advertise similar products.

- If you have a sure seller, buy larger space.

- Special interest products should be advertised in special interest publications.

- Keep on changing the ad and offering until you are satisfied it is right.

- Examples of changes you can make are: size of ad, copy, appeal, special gimmicks such as discounts, free gifts or reports, etc.

- Remember that a given ad can be 20 or 30 times more successful than another ad advertising the same product. It pays, therefore, to continue testing until it is just right.

- Repeat a successful ad until you no longer get a satisfactory return.

- The conventional advertising cost is 15% of sales or more in mail order.

- To evaluate your advertising cost, think in terms of cost per inquiry. This is calculated by dividing the number of inquiries into the cost of the ad. That cost may vary from about \$0.50 to \$1.30 or more.

- Be careful when you allocate advertising funds to small mail order publications. The ad may appear to be very inexpensive. However, a \$15.00 ad that gets no response is a lot more expensive than a \$110.00 ad that gets over 100 inquiries.

- Stay away from those publications that have no news or editorial content, and also those that have poor printing quality.

- There are a number of quality mail order publications, but it takes time to find the right publication for your product.

Advertising Copy

- Write tight copy.

- Write as you speak. You are generally appealing to a mass market.

- Prepare your copy carefully. It must fit your specific medium.

- The emphasis should be on YOU THE CUSTOMER rather than I, the com-

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pany.

- Be sincere and don't make unreasonable claims, but remember that you are selling.

- Try to convince the reader that you are reliable and trustworthy.

- Give simple specific instructions.

- Key all ads to test their effectiveness.

- Check and double check, and have someone else check your ad to make sure everything is correct and easy to understand.

- Watch where your competitors are advertising.

- Experiment with new publications.

- It is generally considered impossible to sell something that costs more than \$2.00 to \$4.00 direct from either a classified ad or a small display ad. This is because there just is not enough space to convince someone to part with \$10.00 or \$20.00. It takes a full page ad to do that.

- Set up your own in-house advertising agency and save 15% on every ad you place.

Responding to Inquiries

- Each inquiry you receive in response to an ad should be answered via First Class, if at all possible, within 24 hours.

- The contents of the envelope going to the prospective customer should contain: a circular, promotional flier, or mini-brochure, a sales letter, an order form (the order form can be part of the circular), a return envelope, and other appropriate information, such as a fact sheet, a free report, etc.

- In general, circulars should be limited to one 8-1/2x11 page.

- A sales letter, on the other hand, can be as long as it takes to say everything you need to say to a prospective customer in order to sell him the product.

- Sales letters should have an attention getting opening. The idea of the opening is to get him to read the rest of the letter.

Postage and Shipping Cost

- Answer inquiries to your advertising immediately and via First Class Mail. Use Bulk Mail for future mailings.

- You can save a great deal of money by getting a Bulk Mail permit. The minimum number of pieces per mailing is 200. Mail must be zip sorted. Postage is 23.3 cents for up to 3.3 oz. Get more specific information from your Post Office.

- Keep your mailing lists clean - updated.

- Utilize all of the various mail classes, such as Printed Mail and Book rate.

- Compare costs of shippers other than the Post Office.

- Guarantee return postage.

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- Watch your shipping weight. A fraction of an ounce can make a big difference in a large mailing.

Printing Cost

- Finding the right printing company takes time, so keep shopping until you find the right one.

- Very large printers will not be interested in your business. Very small ones, Quick Printers and Instant Printers although convenient, are generally too expensive. Their equipment is not large enough to be competitive.

- There are many medium sized printers that will give you good pricing, and quality printing. Often they have the capability to help you with layout and design.

- Don't hesitate to use out of town printers. If you live in a high cost-of-living area, you can probably save a substantial amount of money. Many of these printers advertise in mailorder publications.

- Utilize the promotional material available from your supplier.

- Until you know what sells, print small quantities, even if it is more expensive.

- Use colored paper for your promotional flyers to spice up your offer. Use white paper, blue or black ink for everything else.

Customer Payments, Refunds and Complaints

- Accept cash, money orders and checks.

- Some mail order companies state in their material that they will not ship for 10 days to 2 weeks when payment is made with an out of town check. This may be an unwise practice because it can create ill feelings with your customers. NSF checks are rare. If in doubt, call your customer's bank and inquire if funds are available in the amount of ____.

- An increasing number of mail order companies accept credit cards - Visa and MasterCard - for payment. It is generally felt that it does increase sales, especially if you take telephone orders.

- If you cannot obtain a credit card merchant agreement with your bank, work through a credit card clearing house. A number of these companies advertise in mail order publications. Since these companies generally charge between 7-10%, it may be wise to set a minimum amount such as \$15.00 for credit card orders.

- Remember, "the customer" is always right. An argument won, is usually a customer lost.

- If you receive an order with an underpayment, ship the order and bill the customer for the difference.

- Make refunds on overpayments quickly.

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- Most mail order companies offer a 30 day money back guarantee. Some offer 90 days and even more.

- It is unwise to offer money back guarantees on items priced very inexpensively, for example, a \$3.00 report.

Record Keeping

- As in any business, it is important to keep records.
- You need records to tell you what is going on in your business; to evaluate both your revenues and your expenses.

- It is also required by law that you keep certain records.
- Keep especially good records of your advertising expenses so you can evaluate your advertising on an ongoing basis.

Mailing Lists

- It is recommended that you do no direct mailings, except to your own lists of customers and inquirers, until you have thoroughly tested a specific product through advertising.

- Stay away from inexpensive mailing lists, under \$40-\$50 per 1000.
- Avoid mailing lists whose owners make unrealistic claims.
- The general consensus is that you need to mail a minimum of 1000 names to get a fair reading. 5,000 names would give you a more accurate test.
- The best mailing list is your own list of buyers. Second best is your own list of inquirers.

Follow Up

- The most important factor in mail order is FOLLOW-UP. Substantial profits can be generated from this segment, if it is properly handled.

- You can generate a lot of sales by including promotional material when filling orders for customers. Other orders are generated from mailings that are made to former customers, as well as individuals who inquired about an offer in the past.

- Send out regular mailings to your customers. At a minimum, four times per year. However, you can send out mailings as often as every 6 weeks or so, if you have a new product to offer.

- Send follow-up mailings of the same or similar offers to inquirers of advertising who did not buy the first time - 2-4 additional mailings.

- As you build your mailing lists and you send out regular mailings, your orders will start flowing in.

Research and Education

- Whether you are new to this field or not, to stay on top, you must continue your education by reading books and reports on mail order and subscribing to

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mail order publications.

- Always be on the lookout for new products you can offer your customers.
- Study the advertising of your competitors.

Request their material and study it.

- Study all mailings you receive.
- Disregard the MLM schemes that you receive, chain letters, recipe clubs, etc. They are all the same, a big waste of money. Many of them are illegal.

- If you are new to mail order, read various publications that will improve your knowledge of the field.

Continue to learn about mail order by reading, experimenting, and talking with other mail order operators. Have patience. Success will not come overnight. It takes time to build a successful business. Start slowly and expand your business from your profits.

Good Luck!

Sell Hobby Items By Mail

You can, if you are ambitious, start a Mail Order Business selling collectables to hobbies by mail. To begin, you must first find a hobby that appeals to YOU. Next, you must spend several weeks researching that hobby. You must learn what collectors want and how much they are willing to pay for it. You should also know what other dealers are willing to pay for the merchandise which they sell. And you must be willing to pay the same amounts.

Perhaps you already know exactly what you want to sell. If you have been collecting old Valentines, then start a Mail Order business buying and selling old Valentines. Or Stamps. Or Comic Books. The first rule of Mail Order selling is to sell what you yourself would buy.

To give you an idea of what collectors buy and sell by mail, here is a partial list of today's collectables:

Phonograph Records Cigar Labels License Plates Beer Labels Circus Posters Music Boxes Salt/Pepper Shakers Greeting Cards Old Pencils Atlases Military Medals Sheet Music Doll Clothes Menus Cigar Boxes Train Photos Old Calendars Maps Street Car Tokens Buttons Postcards Fruit Car Tokens Fruit Jar Labels Old Magazines Gun Catalogs Paper Currency Cartoon Books Theatre Programs Political Buttons Baseball Cards Children's Books Stock Certificates Old Toys Gems, Minerals Belt Buckles Airplane Photos FBI Posters Newspapers Coins Arrowheads Old Jewelry Boat Photographs Advertising Cards Dog Pictures Movie Magazines Autographs Dolls Hunting Licenses Valentines Cookbooks Beatle Items Stamps Indian Relics Railroad Books Fishing Licenses Comic Books Thimbles Automobile Manuals Diaries Railroad Passes Antique Barbed Wire

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I would like to suggest that you send for sample copies of two magazines. They are read avidly by hobby dealers and hobby collectors alike.

THE COLLECTORS NEWS, Box 156, Grundy Center, IA 50638

THE ANTIQUE TRADER WEEKLY, Box 1050, Dubuque, IA 52001

Each of these publications contain around 70 or 80 pages of ads from dealers and collectors. Almost every hobby publication, large or small, is listed somewhere within its pages.

Once you have selected your field, start a file. Keep copies of all the ads selling your kind of merchandise. Also keep ads showing the dealer's buying prices. If price lists are offered in ads, send for them and STUDY them. MAKE YOURSELF AN EXPERT IN YOUR FIELD.

Try to locate any publications that deal with your field. Often, you can locate small mimeographed publications and newsletters which will give you all kinds of useful information.

Your next step is to look for merchandise in your own community. Here are some suggestions:

Start by attending flea markets and antique shows. Don't be afraid to make inquiries of dealers. They often have what they consider "junk" stashed away, assuming that it isn't of much value to anyone. I once discovered a fabulous stamp collection that way!

Browse around through Thrift Shops.

Study the garage sale ads in your local newspaper. Visit any that sound promising. (Sometimes, it pays to telephone first. Also, by telling people what kind of merchandise you are looking for, they may be able to direct you to others who have exactly what you need!)

Place "Wanted to Buy" ads in your local Swapper's News, or your local newspaper. Be sure to list your phone number.

It is amazing what you can find in your local community if you work at it. However, if you can't find enough merchandise locally, run ads in the Collector's Magazines listed above. Their rates are very, very low. And you will soon discover that they are widely read!

Once you have accumulated a decent stock of merchandise, you are ready to begin selling it. If there are publications specializing in your field, by all means advertise there. You have a ready-made audience! Also run ads in the big hobby magazines.

Type up a list of what you have and have an Instant Printer make a hundred or so copies for you. Hobbyists don't mind typewritten, mimeographed, or xerox copies . . . it's half the fun of collecting. Then run your ad. Your ad can merely offer your list to interested collectors free (or for a stamp, to weed out coupon

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clippers). Or you can offer to make a sale straight from the ad. If you do the latter, stick in your price list with the merchandise. It will be read . . . eagerly!

Here are a few sample ads run by hobby dealers for your consideration:

“Railroad Timetables, 1940’s Four different - \$4.00 postpaid..

“Old Children’s Books and Texts. Stamp for List.”

“85,000 Comic Books, Movie Magazines, Funnies, etc. 1900-1957. Catalog \$1.00 (Refundable).”

“Original Movie Poster, Pressbooks, Stills, 1919-1975. Catalog - 50 cents”

“Sleigh Bells! Stamp for list.”

“Sheet Music. SASE for list.”

Just in case you are not familiar with the phrase, “SASE” means “Self-addressed, stamped envelope”. As you progress, you will learn continually. Most hobby dealers will tell you that they learn more from the collectors who buy from them than they could ever learn from any other source.

Below are some other hobby publications that may interest you. It would be a good idea to include postage when requesting copies from the publisher.

Antiques and Collecting Hobbies, 1006 S. Michigan Ave., Chicago, IL 60605

Linn’s Stamp News, Box 29, Sidney, OH 45365

Doll Castle News, Box 247, Washington, NJ 07882

136 Basic Steps To Mail Order Success

This “mini” course outlines the essential elements for establishing and operating a successful mail order business. Here is a practical guide for beginners and check list for those already in mail order.

THE COMPANY NAME:

1. Select a short, friendly, informal, easy-to-remember company name.
2. Your personal name is acceptable, but add “Co.”, “Gifts”, etc.
3. Home address or post office box makes no appreciable difference.

STARTING SUPPLIES:

4. Neatly printed letterheads and envelopes
5. A typewriter - or the availability of one is a must
6. Parcel post shipping labels
7. Avoid purchasing expensive office equipment or supplies until absolutely needed for more efficient operation - and capital permits

STARTING CAPITAL

8. To purchase above starting supplies
9. To pay for two or three publication ads to test your offer

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10. Or, to pay rental for a minimum of 1,000 names for a direct mail program, plus postage costs

11. To pay for preparation and layout of a display ad

12. To pay for art work and typesetting of circular

13. To pay for additional or continuing promotions if initial results are encouraging.

14. Costs to cover promotion expenses if further testing is required

15. Extra capital to allow for unforeseen and unexpected expenses

THE PRODUCT: (Select a product that, preferably):

16. Is new, unusual and, if possible, exclusively yours

17. Is of good quality and fairly priced

18. Fills a definite need for a wide and ready market

19. Offers strong appeal to the prospect

20. Is not commonly sold in retail stores

21. Cannot be bought elsewhere or only from limited sources

22. You can control its production or distribution

23. Is not expensive to make or produce; can be bought at low price

24. Interests a large percentage of the market

25. Is not seasonal (except Christmas); can be sold the year around

26. Lightweight; not fragile; safe and inexpensive to ship

27. Will be used up or consumed and must be reordered periodically

LOCATING A SUITABLE MAIL ORDER ITEM:

28. Look through mail order sections of magazines to check what types of products successful mail order dealers offer

29. Inquire of local manufacturers and Chamber of Commerce

30. Attend trade shows (with gift, jewelry, household themes, etc.

31. Contact appropriate manufacturers listed in Thomas Register, available at Public Libraries

32. Watch for new product listings in trade journals and magazines

33. Check out close-outs, surplus and overstock offers

34. Contact mail order supply sources

35. Design, develop, manufacture or publish your own product

THE LINE:

36. Develop or acquire other items to tie in with your main product

37. Present follow-up offers to customers and prospects

38. Promote succession of products appealing to the same trade

39. Sell such services as personalization, consultation, etc., if such services

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are adaptable to your line

THE ADVERTISING COPY:

40. Use attention-getting, bold headline copy in ads
41. Illustrate the product if space permits; explain how it is used
42. Write copy in brief, bouncy, down-to-earth style
43. Avoid any overly-clever, tricky phrases or expressions
44. Be sincere; don't exaggerate
45. Describe the product clearly and fully
46. Stress the "YOU" approach; tell how the offer will benefit him
47. Avoid overtalking about yourself or your company
48. Strive for conviction and sincerity - be believable
49. Instill confidence; make the prospect feel you are honest
50. Stir him into action to order your product
51. Give specific directions for ordering
52. Provide a guarantee of satisfaction or money back
53. Tailor the ad/literature to fit the prospect you want to reach

TESTING YOUR OFFER:

54. If capital permits, test more than one magazine
55. Test more than one ad, each in a different publication
56. Try split runs if the magazine offers regional or sectional issues
57. Continue a successful ad without change until its pull drops to break-even point
58. Don't rush to change an ad that is pulling well; experiment slowly
59. Test only one change at a time: size of ad - copy - different appeal - new headline - another illustration - new price
60. Use short testimonials if space permits
61. Offer a bonus - something free or at reduced price
62. Key each ad or mailing to determine where results were derived
63. Keep accurate records of returns from each promotion

SALES LITERATURE:

64. Usually consists of sales letter, descriptive circular or folder, order form, return envelope (Some offers may be effectively sold by only a sales letter)
65. Effective sales letter must create AIDA - Attention, Interest, Desire, Action
66. The circular should fully illustrate or describe the product. It must provide more detailed information about the product - its uses, benefits, advantages and other special appeals

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67. Return envelope is an essential part of sales literature to make it convenient for the customer to mail the order

68. Mailing sales offers by first-class mail vs third-class mail usually shows no appreciable difference in results

69. Mailing envelope can feature an attractive design or teaser message to induce the recipient to open and read the offer

THE PRODUCT SUPPLIER:

70. Develop or produce your own mail order item, if possible

71. Try to arrange exclusive mail-order rights with the supplier

72. Establish supply sources close to home to save delivery time and shipping costs

73. Seek lowest price if item is offered by two or more suppliers

74. Order larger quantities, if you can afford such purchases, to get lower prices or greater discounts

75. Ensure the supplier is reliable and will provide the merchandise you plan to promote; that he will ship orders promptly

76. Consider only products which allow an adequate profit margin (at least a 3 to 1 profit mark-up on lower-priced items)

77. Consider a supplier who is willing to "drop-ship" your orders directly to your customers - seek at least a 50% discount

THE SELLING PRICE:

78. Price merchandise fairly; give customers their money's worth

79. Include postage or shipping costs in selling price

80. Use round numbers (\$3.00, \$5.00, etc.) for lower-priced items to make it convenient for customers to remit payment

81. Allow for all costs in marking up prices - postage, overhead, packing, allowances for non-deliveries, refunds, bad checks

82. Be certain to allow yourself an adequate mark-up to assure profit

83. Test different prices to determine which selling price brings in the greatest amount of profit

ADVERTISING:

84. Don't attempt to start unless you can afford at least two or three ads; or pay for a direct mailing to at least 1,000 names

85. Plan to advertise consistently

86. Use ad space relative to sale price, i.e., use small-size ads for low-priced items and larger ads for more expensive items

87. Items priced over \$3.00 usually do not sell as profitably through classified ads

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- 88. In space ads, offer products in the \$3.00 to \$10.00 price range
- 89. It is usually better to advertise for inquiries if an item sells for \$10.00 or more
- 90. Two small ads will generally produce more business than one ad twice as large
- 91. Keep repeating ads as long as they continue to be profitable
- 92. Don't waste unnecessary space; advertising is expensive
- 93. Don't expect to make a killing from one ad or mailing. consistent advertising is the key to mail order success

THE MEDIA:

- 94. Newspapers with mail order sections bring quick returns and are acceptable for initial test. Results are not usually as good as from magazine ads for long-range pull
- 95. Use only publications with the type of readership who will react favorably to your type of product or offer
- 96. Unsold inquirers should be followed up with special inducements or with new offers
- 97. Rent names only from reliable brokers or mail order sources
- 98. Use only lists of people who are logical prospects for your offer
- 99. Compile a mailing list from your own inquirers and customers
- 100. Offer your names to list brokers; this is a good source for extra income
- 101. Advertise in publications which feature large mail order sections; place ads in the same issues or sections that your competitors advertise

THE ADVERTISING AGENCY

- 102. Select an advertising agency experienced in mail order
- 103. Check their credentials; current accounts; successful promotions
- 104. Don't use agencies which represent direct competitors
- 105. Expect to pay in advance for ad placements and other services until credit terms are established
- 106. Advertising agencies are not infallible. Forgive an honest mistake. Give the agency at least a second chance
- 107. Expect to pay for preparation of display ads, copy layout, and other services you authorize. Classified ad copy will be prepared without any cost to you
- 108. Extend full cooperation; go along with their recommendations
- 109. If your advertising budget is substantial, consider setting up your own advertising agency - thereby saving 15% commission, plus a 2% discount in many instances

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SHIPMENTS:

- 110. Fill and ship orders promptly. Mail order buyers get edgy with delays
- 111. Use plain but sturdy packing to ship orders
- 112. Ship via parcel post or U.P.S., whichever is cheaper
- 113. Use neatly printed shipping labels
- 114. Address labels with typewriter; not by hand unless indelible ink is used and address printed.
- 115. Specify "Return Guaranteed" on labels or package

TERMS OF PAYMENT:

- 116. Accept personal checks; very few bounce
- 117. Avoid C.O.D.'s unless you receive sufficient down package to assure you have collected enough to cover the costs of the return, plus costs of handling and repacking the merchandise
- 118. Don't offer to sell on credit or time payments unless item is high-priced and you can afford to carry credit accounts

THE CUSTOMER:

- 119. Consider the customer your greatest asset. Acknowledge that he is always right; even when he isn't
- 120. Handle complaints promptly; write courteous explanation
- 121. Offer replacement if product is broken or damaged
- 122. Issue immediate refunds; adjust overpayments promptly
- 123. Promote new or other products to your customer list. No other class of prospect will be as responsive
- 124. Work your customer list until it no longer proves profitable

YOU:

- 125. You, mainly, control the destiny of your mail order business
- 126. Be energetic; devote as much time as you can spare to advance your enterprise to a more profitable future
- 127. Be determined to make your mail order business a huge success
- 128. Learn as much as you can about mail order techniques
- 129. Be original; exclusive
- 130. Don't copy anyone; copy only successful methods and techniques; always strive to improve on them
- 131. Keep searching diligently for new, "exclusive" products
- 132. Don't become disappointed by a slow start, or discouraged by a failure or two along the way
- 133. Always perform professionally; an amateur does not get paid for his

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services

134. Build your own financial pyramid; reinvest profits into productive programs that may mushroom your profits steadily

135. Avoid being an easy mark for “get-rich-quick” schemes; start and operate your business on sound principles

136. Refer to this handy checklist periodically - remind yourself to follow only accepted guidelines that control the safe operation of a mail order business.

BEST OF SUCCESS!

Why 95% Fail In Mail Order

Mail order is a very complex business. Every phase must be planned, analyzed and tested. The right demand products must be selected; the correct type of ads placed in the proper media and 1,001 other details attended to constantly.

A great number of people enter the mail order field every week. When they find in many instances that only three responses are received from 100 mailings, or that a \$100 ad in a magazine with 4 million readers pulls 15 inquiries, it appears hopeless. Especially after reading the glowing ads portraying the \$THOUSANDS\$ that can be made overnight from your kitchen table! The mail order enthusiast is led to believe that he should be able to hit it big immediately with little work. When he finds that this is not the case he drops out before he has a chance to learn, fearing that it will take too much of his prime TV time, or that it will cost too much to get started on the ROAD TO PROFITS! IT DOES COST. Much more than the \$10 or \$20 often advertised as the total amount necessary to put \$45,000 per year in their pocket!

Many are continuously making fortunes in the mail order business. However, if they can do it and you are one who thoroughly enjoys the world of mail order, then there is no reason why you cannot make it also.

Remember as you proceed on your way to success that there is no such thing as failure. 95% do not fail...they simply do not succeed!.

Getting Dollars In Your Mailbox Through Mail Order!

Welcome to the World of Mail Order!

Hundreds, even thousands, of dollars can come to you through the mail, every day, when you build up a successful mail-order business, and we're going to show you how to do it! You don't need complicated equipment, a lot of capital, or an expensive office to start with. But you do need determination, a place to work (your home will do fine for a beginning), and a good product.

Before you begin to sell anything, take a moment to think about the possibilities of mail order. In order to hit the real jackpot in terms of money, your mail

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order business, whatever it is that you will eventually sell, must be well planned, timely, and draw lots of repeat business. You are going to have to look at what other mail order operators are selling, to see what kinds of products sell well, week after week, in the kinds of publications that you too are thinking of running ads in. And don't forget to check back issue of these same publications check out which ads stopped running, which products flopped!

Remember that the better prepared you are before you actually place your first ad, the better able you will be to cope with buying, selling, shipping and all the other new responsibilities you will have. But don't let all this talk of responsibility scare you away - mail order is still one of the least complicated ways to get set on the road to financial independence, and possibly great wealth!

Let's Tackle First Things First!

If you're contemplating starting a mail-order business, the first thing you have to decide is what you're going to sell. both as to general category, and then specifically. Your wife's home-made candy; your own greenhouse-raised plants; a small useful "novelty" item; racing tips; or what? Try and ask yourself a few questions about what you intend to sell. Is it exclusive? Or can your prospective customers get the same thing more easily right at their neighborhood store? Is it really appealing, can you point out something (or many things) about it that make it something the customer's just gotta have? And does it have a really sufficient mark-up (of which more hereafter).

More mail-order failures can be traced to the lack of the right product than any other source. Sure it's important to promote it right, write appealing copy, be efficient in shipping, follow up the sale, etc, etc., but if you haven't got what the people want, nothing else will help.

So don't blunder into the business, plan it out. Think about whether you have some special expertise which you can bring to bear in the selection of what you're going to sell. Always try to fill a need. Try to appeal to basic human instincts, acquisitiveness, curiosity, avarice, sexuality, greed, and so on. But appeal subtly, on the subconscious level, don't let'em know you know what makes'em tick. You've got to be a sort of amateur psychologist, to have a high percentage of successful items, or else you must just somehow sense what will sell.

Two Great Ideas You Can Use!

If you haven't a specific field in mind, here are two suggestions for you. The first is to sell information, or to put it another way, "sell paper". Think up some information you think many people would like to know, and try and assemble it for them in a handy form, using your own knowledge, or research you can do in books at your public library. For instance, a list of hotels, by city and state, which agree to accept guests with pets - something very useful to animal-livers traveling with their dogs and getting turned away by the majority of motels they try to

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stop at.

The second is how you can find the one really special, really “cute” and exciting item that you can promote the hell out of and (we hope) sell tens of thousands of. In this area of mail-order, fortunes can be made overnight, if you “know how to pick ‘em”. It’s a knack, a “feel”, and it’s usually inborn, and not a product of training. You may have it, and not know it! If you are one of those people who can sense the needs or desires of a large group, then before long you may locate an item that can bring you real money!

How you can find your own special “hot item” before the public has even seen it anywhere is by attending trade shows, given every year, and sometimes twice a year, in major cities. New York, Chicago and San Francisco are the biggest centers, but local ones appear also in Miami, Houston, New Orleans, and many other cities.

You can find out about these shows by calling your local convention bureau or exhibition hall, and enquiring about their schedule for the year. Very big hotels with exhibition facilities sometimes host them too. Or you can write to major exhibition managers and get their schedule for the next twelve months or more.

Ad or Brochure - Which Way for You?

To start a mail-order business, we would suggest placing small display ads at first, rather than creating expensive mailing pieces and sending them out to a rented list. To create, print, insert and mail brochures is a costly and very skilled affair, and is not usually undertaken by beginners. Also it is generally necessary that the item(s) offered be relatively high-priced to assure a profitable rate of return - what with today’s high cost of postage, not to mention paper and printing. A single \$1.95 item, no matter how saleable, could never be profitable in a mailing - by the time you add up the cost of printing and postage you find there is nothing left for you! But if it is well-chosen, it could be a smash hit in a small ad, and make a lot of money for you, because, of course, if it works for you in one magazine very well, the chances are very good (though not certain) that it will be at least profitable, even if not as profitable, in other media.

Markup, Markup, You Gotta Have the Markup!

Other than an unsuitable product, or one that people just don’t want, the biggest other mistake you must avoid is having insufficient markup. You cannot afford to buy the same product that a retailer does, and expect to survive. Many retailers can do perfectly well with an average markup of 100% over cost, that is they buy the merchandise at 50% of its retail price, or, to look at it another way, they sell at twice the net cost to them (this is a very rough approximation, retailers’ margins vary all over the lot depending on the line of business they’re in; for instance, grocery supermarkets operate on far less gross markup than that).

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But you cannot exist in mail-order with a two-times-cost mark-up (potentially you might be able to with a very high-ticket item selling for \$500, but we're not concerned with that here). You need at least a three-times cost multiple, and, if you can get it, four-, five-, six- or even ten-times is far far better. The higher your markup - the greater your chance of success. Your costs are far higher than a retailer's. Advertising space cost is your biggest expense, and then you have to handle each order individually, pack it for shipping, provide a carton, take it to the post office, etc., as well as pay your general overhead expenses. Always remember that the higher the multiple, the smaller the number of items you have to sell to make an ad profitable.

Now to Prepare Your First Ad

You've chosen your "perfect product" for your first mail-order offering, and decided on the price you're asking, and now you are faced with making an ad! Unless you are a writer/artist, this is a formidable obstacle. But it can be surmounted. We don't suggest you call a big advertising agency. In short, they don't want you (you won't be spending enough), and you don't want them (you wouldn't be able to afford their production charges!). If you're handy with words, try writing the ad after all the usual 1", 2" or 3" mailorder ad only contains 50 or 100 words of copy (look at what others are doing in your favorite magazine) - and show it to some friends to get some criticism and ideas. If you get a thumbs-down reaction from your test audience, (or if you don't really feel that you want to tackle the writing in the first place), locate a copywriter to help you through the classified columns of your local newspaper. Place a very short minimum-space ad, something like this:

COPYWRITER. Small mail-order co. needs occasional ads written, freelance basis. Call 123-4567.

in the "Help Wanted" section. You'll get plenty of calls, and this will enable you to select someone with whom you're compatible, and who won't charge you an arm and a leg!

Appearance and Presentation Are All-Important!

The "look" of your ad is very important. Don't neglect it. Not only the picture of the product, whether that be a photograph or a drawing, but also the layout, choice and weight of typefaces used, and so on. Unless you are an expert, don't try doing it yourself . . . you need a professional. It is simple to find one. Just proceed as above for the copywriter, but place an ad for an art director. He will take your basic thoughts, and transform them almost magically, into a really "pro"-looking ad. He'll be able to "spec" the type for you, and recommend a typesetter who can set it for you (or he may quote you a flat price for preparing the ad which includes the type).

I hope there's enough here to have whetted your appetite for a go at the

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fascinating world of mail-order. If you want additional information, consult a full-length book on the subject.

Good luck!

How To Pick The Perfect Product For Mail Order Sales

So you've done some investigating into mail order and haven't found something you'd like to sell. Here are some tips that should point you in the right direction.

First, you must have a specific category of goods you'd like to sell.. You must enjoy what you're doing or it won't be worth your trouble, so you should pick some category of goods that falls within an area of interest to you.

Don't be afraid that the market might already be saturated; if a lot of people are already selling that class of goods, it's because the market calls for that much product.

If you're a hot dancer, you might be able to put together a dance course of dancercise program, or sell dancewear. If you're into tennis, the number of gadgets for tennis players,, or in fact, any sport or hobby is staggering, and marketed correctly, most of them will make money. If knowledge in a certain field is your stock-in-trade, by all means, become a writer!

Books are probably the safest and hottest commodities you can sell by mail. There are trade magazines for virtually every kind of business and private venture and every private interest group or hobby in existence. Check your library for the name of these magazines, get copies of them by hook or crook, and find out what's being offered to people in the industry.

Trade magazines are where new products are first introduced, and you can often get exclusive rights to a marvellous idea just because you were brave enough to ask.

One of the most important considerations is availability.

If you have exclusive rights to a product, you can virtually write your own ticket. Mind you, it must be an item in fairly great demand or something for which you can create a demand.

It should generally be an item you cannot buy in stores or cannot be bought in stores for the price you can ask by mail. If it can be bought in stores at a comparable price, then your offering should have some special feature about it that makes it unique. Don't try to compete with retail outlets.

The next consideration is price and quantity.

You must be able to produce or supply yourself with the item at the very least at one-third of your selling price, and in most cases the higher your markup the better. The actual selling price must still represent good value to the customer,

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but don't be too concerned about undercutting just yet, since the difference between retail and supplier's factory-direct price is usually substantial.

In order to get the price necessary to provide a good profit margin, you should not have to buy up a factory's entire production either. It should be possible to buy hundred or gross lots at a fair cost (if you're not dealing in that kind of volume at some point, it won't be worth you while in the first place).

If you are selling merchandise, you must have some sort of guarantee and be able to back it up.

A product that routinely breaks down before the warranty expires won't do much for your image and will cost you must more than just a refund over both the short and long term.

If you are selling books, you can get away without a guarantee and in fact one of the most successful mail order firms in existence has made it a point of pride that they offer no guarantees at any item, even on a new publication costing \$1,000!

Posters have traditionally been hot mail order sellers, but they have one very serious drawback: they require expensive tubes for safe shipping, and those tubes and the postage they require often cost more than the poster itself. Which brings us to the next point: how easily and cheaply... and safely can it be shipped?

The product must also be understood by the buyer before it's actually purchased. Anything requiring a demonstration or great amounts of instruction in its use is better left to salesmen on the retail floor.

If you are selling direct from advertisements, keep the items under \$25 unless they are well-known and exceptional products. When selling by direct mail, higher priced items can be sold since you're able to take much more space to explain the article.

Finally, it must be something that is either used up, purchased repeatedly, can be accessorized or leads to the sale of another item, either from a catalog or future sales campaign.

The real money in mail order is made from repeat sales where the expenditures required to sell a given number of items is vastly reduced.

The Biggest Mistake In Mail Order

Selling by mail is a goldmine... but not if you sell only one product

After you read this article you will clearly understand what is surely the most important secret to building your fortune in mail order. So please take 10 minutes to avoid further loss of your time and money.

First, let's address the most frequent mistake that mail order beginners make: failing to learn how the mathematics of mail order work. I'll make it very

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simple. consider all the expenses involved in selling your product: typesetting and printing your advertisement; buying (renting) the mailing list; and finally, postage. This to name only the three main expenses.

Now, if you honestly think you're going to get rich by selling a \$10 or \$20 product to a few names, you are in the wrong path. You certainly could get rich selling a single product. It has happened countless times. But most probably you won't. Or let's put it this way: your success would take several years. Anyway, that is not the way mail order works.

The only way you can and will accelerate your growth and soon make huge amounts of money is if you sell a **RELATED LINE OF PRODUCTS**. Do not hesitate one moment: the people who are making it really big in mail order are the ones that understand and apply this concept. The principle that lies behind this is that finding a customer is very expensive.

You sold something for \$10 or \$20 and then what? Do you forget about your new customer? No!! The true way to make money is, once you made the sale, to supply that customer with additional related products.

There is no reason why you shouldn't do this. Sure, it's extra work. It would be easier to make a sale, take the money and run. But that's just too good to be true. Many folks still think that there are ways to make money the easy way, with no work at all, making a million in one week and then spending the rest of their lives in the Caribbean.

Once you get a customer, it is so easy to get extra earnings from further sales that it's foolish not to offer him more products. You'd be letting go of the real bulk of your profit.

I stress the fact that they must be related products. Here's why: If someone buys a book from you on "secret inexpensive advertising methods", it wouldn't be wise to then send him/her an advertisement on "computer software". That person is now more likely to be interested in buying a report on "the biggest mistakes to avoid" or he might be now looking for renting a name list to mail out his recently published booklet. Get the picture? This is the idea (which you might have heard of before) of a "Product Line". You don't need to offer expensive items and expensive sales brochures to follow this procedure successfully. Prepare an informative set of circulars of reports, or books, on a certain general subject like, for example, the ever popular "making money in mail order", which is a safe subject to get into (most people are interested in making money from their homes).

Mail order is a hot business, not only for big companies but also for the little guy who starts from his kitchen table. But the only way the small mail order operator can find his way to big earnings is to specialize in a certain area. Your sales literature should offer products from a certain category, and mailed to a specifically targeted group of people. Therefore, you are minimizing expenses and in-

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creasing the probabilities of making more sales per piece mailed.

Think about this: If you mail 1000 envelopes to a list of names you just rented, it costs you exactly the same money, if you send out a circular offering a book than if you send along 4-5 circulars offering related reports, or books, etc. OK, you spent some extra bucks on printing those other circulars, but you spent the same money on postage and on the names lists. But if your potential customer is not interested in that single item you offered, you just threw away all that money. However, if you mailed out 4, 5 or 10 different offers you have a much better chance of pulling one... or more orders.

In conclusion: the odds of making money are against you. They will be in your favor only when you have more than one product to offer, or better yet, 4, 5 or more. Specialize in one particular field. Target to that specific market through specialized publications or mailing lists. Conduct a decent business in order to keep profits at a maximum.

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